

City Of Brook Park, Ohio

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DECEMBER 31, 2002



**Auditor of State
Betty Montgomery**

Members of City Council
City of Brook Park
Brook Park, Ohio

We have reviewed the Independent Auditor's Report of the City of Brook Park, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2002 through December 31, 2002. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Brook Park is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

June 25, 2003

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CITY OF BROOK PARK, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2002

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CITY OF BROOK PARK, OHIO

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City of Brook Park

Finance Department

Gregory M. Cingle
Finance Director

JENNIFER L. DEMMERLE
Assistant Finance Director

June 5, 2003

To the Honorable Mayor, Members of City Council,
and Citizens of Brook Park, Ohio:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Brook Park for the fiscal year ended December 31, 2002.

This report consists of management's representations concerning the finances of the City of Brook Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Brook Park has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Brook Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Brook Park's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assure that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Brook Park's financial statements have been audited by Ciuni and Panichi Advisors, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Brook Park for the fiscal year ended December 31, 2002, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion the City of Brook park's financial statements for the fiscal year ended December 31, 2002, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

6161 Engle Road • Brook Park, Ohio 44142

216/433-1300 • Fax 216/433-0822

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GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Brook Park's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Brook Park, incorporated in 1967, is located in the southwest portion of Cuyahoga County, 13 miles from Downtown Cleveland, with the cities of Parma to the east, Berea to the west, and Middleburg Heights to the south. Brook Park is an easily accessible suburban community which abuts Cleveland Hopkins Airport on the northwest boundary and has ready access to Interstate 71 and 480 and the Ohio Turnpike. With an excellent combination of residential, commercial, and industrial areas which provide tax support, the City is able to finance the building of excellent administrative, recreational, and service facilities and provide a wide variety of municipal services including police and fire services, street services, sewer services, and recreation services.

The City of Brook Park has operated under the mayor-council form of government. The Mayor, designated by the charter as the chief executive officer of the City, is elected to serve a four-year term. The Mayor has the power to appoint, promote, discipline, transfer, reduce or remove any employee of the City except those elected and those whose terms of office are set by charter. Legislative authority is vested in an eight member council. The Council consists of a president, three council members elected at large, and four council members elected by ward. Council members are elected for a two-year term. Each member of Council has a right to vote, except for the president, who may vote only in the event of a tie.

The Mayor is entitled to a seat on council but has no voting rights. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Council fixes compensation of the City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriations and indebtedness, the licensing of regulated businesses and trades, and other municipal purposes.

Other elected officials include the finance director and law director, each of whom serve four-year terms.

Detailed provisions for the City's budget, tax levies, and appropriations are set forth in the Ohio Revised Code and the City Charter. With the assistance of the City Finance Director, the Mayor is required to submit to Council not less than thirty days before the end of each fiscal year an estimate of the revenues and expenditures of the City for the succeeding fiscal year. The Finance Director submits to council an appropriation ordinance for the succeeding fiscal year, based on the annual estimate. Council is required to adopt the appropriation ordinance (the budget) in its original form, or with those revisions as it may find proper, within ninety days of the beginning of the fiscal year covered by such ordinance.

The City maintains budgetary control on a non-GAAP basis by fund and within each fund by department at major object levels, which include personal services, travel and education, contractual services, supplies and material, other expenditures, capital outlay, debt service, and operating transfers. For management purposes, the major object level is further defined with budgeted amounts not to exceed the aggregate appropriated by Council.

Budgetary control is maintained by an encumbrance of purchase commitment amounts prior to the release of purchase orders to vendors. Requisitions for the expenditure of monies are submitted to the Mayor for approval and for the preparation of a purchase order. The purchase order is forwarded to the Finance Director's office for certification of the availability of funds, and the estimated expenditure is encumbered against the available appropriation. Encumbrances that would exceed the available appropriations are not approved or recorded until the City Council authorized additional appropriations or transfers. Unencumbered appropriations lapse at the end of each year. The City's accounting system provides interim financial reports which detail year to date expenditures plus encumbrances versus the original appropriations plus any additional appropriations made to date. The reports permit the Finance Director and other City officials to ascertain the status of a department's appropriations at any time during the year.

Factors Affecting Financial Condition

Economic Conditions and Outlook. National and regional economic conditions are mixed at best in early 2003. Yet Brook Park seems to be holding its own due to a variety of factors, with room for optimism.

For the third year, the nation's industrial economy is down. Much of our manufacturing base, particularly the fabricated metal products and transportation equipment sectors, continue to see over-capacity brought on by a drop in demand after aggressive capital expansions in the late 1990's. As one relevant example, Ford Motor Company, announcing plant closures that will occur in late 2003, noted a 20 percent worldwide over-capacity in automobile production.

2003 could be a make-or-break year for many Brook Park businesses. While inventories have been whittled down due to production cutbacks, demand growth has not yet resurfaced. Since cash reserves are long gone, and lines of credit and equity loans have been maximized, companies have recently turned to staff reductions and sales of unproductive equipment. So far, the number of businesses in Brook Park has remained surprisingly constant; our efforts and the national economy will determine whether more drastic measures will be called for this year.

The anticipated improvement in the economy in late 2002 did not materialize, perhaps due to worries about a pending war in Iraq, which subdued both consumers' and producers' spending appetites. Regional unemployment hit seven percent in January 2003, while regional real estate vacancies appear to be too high to generate new development: shopping centers at ten percent; industrial space at 14 percent; and office space at 19 percent at year-end. Worst off were hotels, where an increase in supply and a decrease in demand led to dismal occupancy rates of only 56% in December 2002.

Yet a number of positive factors exist. Interest rates and inflation remain low, with Prime at 4.25% (Wall Street Journal average) and regional inflation around 1% (CPI-U, Cleveland/Akron) in early 2003. Productivity, gaining 4.8% for 2002, may offer insight into how businesses are coping. Many Brook Park businesses, while reporting a loss of orders for basic production, are innovating by adding brokering and value-added activities to product lines, even in cases where the actual production has moved overseas. This enhances the diversification brought by last year's addition of the bulk of the NASA Glenn Research Center to Brook Park.

Major Economic Initiatives. A number of key projects are coming online during 2003 that will have a positive impact. These result from a combination of groundwork laid in prior years and continuous relationship building and attention to the needs of our business stakeholders.

To the Honorable Mayor,
Members of City Council, and Citizens of Brook Park, Ohio

June 5, 2003

Major Employers

Ford Motor Company continues its \$340 million rehabilitation of Engine Plant #1, with ramp-up towards production of new Duratec II engines (and employment of 650 people) beginning in late 2003. The Aluminum Casting Plant will close as announced in 2002, but the roughly 190 employees will be absorbed into other campus activities. We are now discussing additional facility investments with Ford as the Plant #1 project nears completion.

Funding and employment at the NASA Glenn Research Center appears to be stabilizing under the new NASA administration. Internal rearrangements of civil service and contractual staff no longer concern us from a revenue perspective since about 98% of the Glenn campus is now in Brook Park. Our advocacy efforts through the Ohio Aerospace Council continue in conjunction with the Greater Cleveland Growth Association and area employers and universities.

Brookgate Shopping Center

Brookgate, at 192,000 square feet, is our community-scale retail center. Over the last few years we have reached out to the owners and are pleased to report the 2003 construction of a new 57,000 square foot Tops grocery store. The income and stability generated by this new tenant is allowing the Center owners to plan a renovation of the Center's façade, a much-anticipated improvement. With the Tops deal announced, vacancy rates at the center have plummeted, and nearby businesses have also responded with investment projects of their own.

Brookpark Road Corridor

The City's five million-dollar investments into the purchase and demolition of blighted properties on Brook Park road is paying off with a number of significant investments in 2003. The Metro Lexus and Metro Toyota dealerships are both expanding. Toyota has purchased a vacant parcel and is building a new attractive body shop. Other vacant or underused buildings have new tenants and owners, and a new \$3.5 million Acura auto dealership is now announced at the site currently housing a Ramada hotel. Altogether, over \$18 million has been invested on Brookpark Road since 1998, with \$34 million in projects pending.

Other Projects

Laich Industries, a plastic injection molder, is now constructing its 400,000 square foot office, production and warehouse facility along I-480. This project will bring 87 current and 36 future employees to the City. Chavez properties continue to construct its new 2500 car airport parking facility on Snow Rd. This project will bring \$250,000 in new annual parking tax revenue; efforts continue to bring hotel and restaurant users to the frontage property. On the housing side, the Neeley School development is underway. On the site of this former vacant school, 40 new homes will take shape, enhancing our City's ability to retain residents that are seeking newer larger housing.

Cash management policies and practices. Cash management is a vital component of the City's overall financial strategy. The Finance Director maintains an aggressive cash management program. Major considerations are timing of cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in short-term certificates of deposit or other securities authorized by state statutes. Interest earnings are allocated to funds based on the requirements of the Ohio Constitution and state statutes. All deposits and investments are covered by pooled collateral with a face value equal to at least 110 percent of deposits.

To the Honorable Mayor,
Members of City Council, and Citizens of Brook Park, Ohio

June 5, 2003

Risk management. The City has contracted with Wichert Insurance Company for property, general liability, boiler and machinery, automobile, law enforcement, public officials and umbrella coverage. The City also provides two different medical plans for full-time employees and their families. Both plans are self-funded and administered by a third party administrator. The State of Ohio provides workers' compensation coverage for the City's employees.

Awards and Acknowledgements

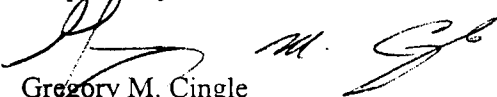
Certificate of Achievement. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2001. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, the City published and easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. This report satisfied both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last twelve years. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgement. The Finance Department with the efficient and dedicated service of its entire staff prepared this comprehensive financial report. We would like to express special appreciation to the independent accounting firm of Ciuni and Panichi, Inc., which contributed significantly to the preparation of this report. In addition, we would like to thank the Mayor and Members of Council for their support which has allowed the upgrading of the Financial and Accounting Information System to the status that residents of the City of Brook Park demand and deserve.

Respectfully submitted,


Gregory M. Cingle
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Brook Park,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2001

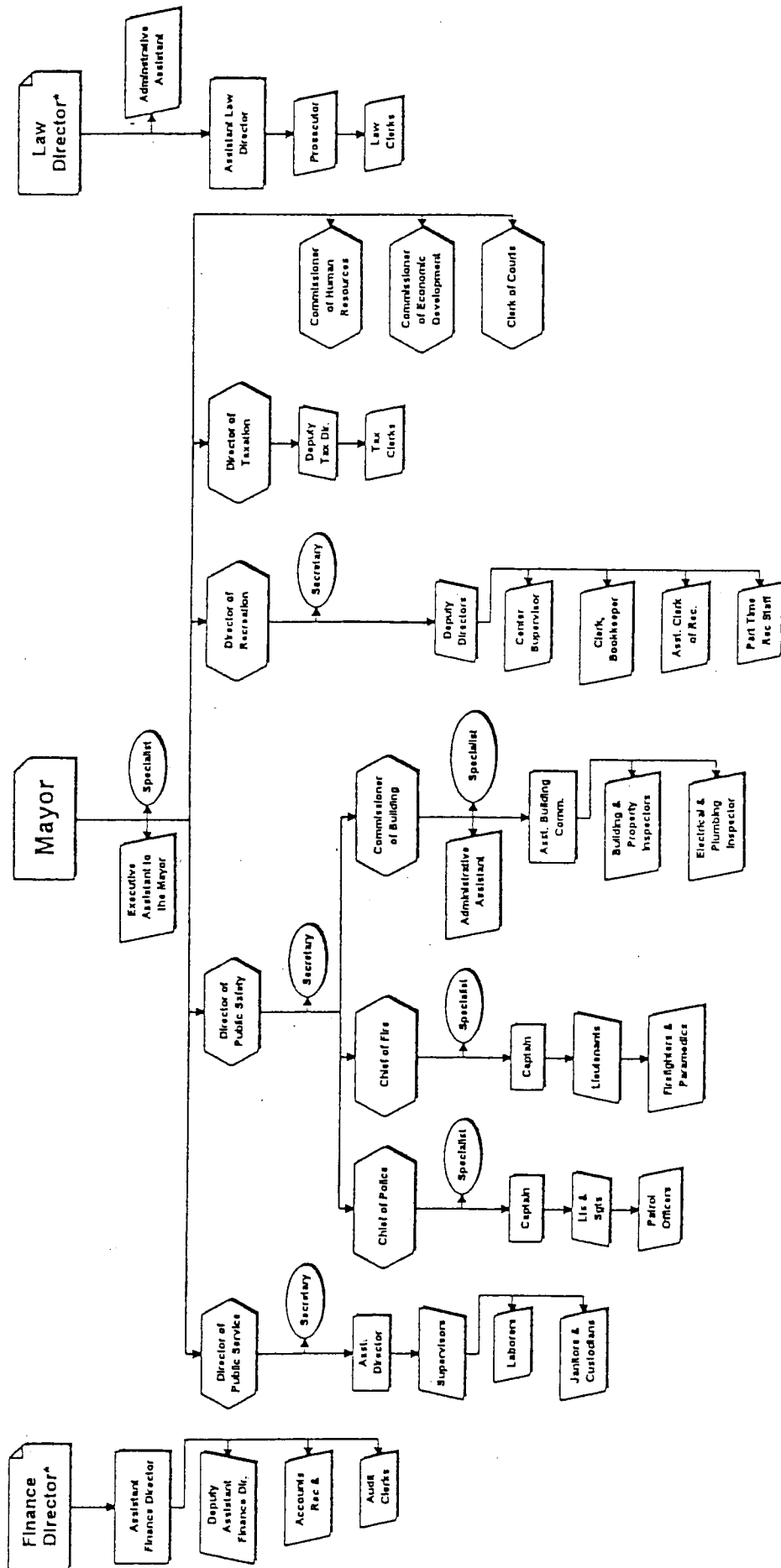
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City of Brook Park Administration



CITY OF BROOK PARK

ELECTED OFFICIALS

December 31, 2002

ELECTED CITY OFFICIALS

HONORABLE MAYOR MARK J. ELLIOTT

CITY COUNCIL

Harold Scott Adams, President	Dennis P. Patten, Ward 1
Carl J. Burgio, At-Large	Brian P. Mooney, Ward 2
Michael D. Gammella, At-Large	James D. Wilson, Ward 3
Danny V. Colonna, At-Large	Anthony J. D'Amico, Ward 4

FINANCE DIRECTOR

Gregory M. Cingle

LAW DIRECTOR

David A. Lambros



Creating economic value through
knowledge, innovation, commitment, and service

CIUNI & PANICHI
INC.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

Independent Auditors' Report

Members of the City Council
City of Brook Park, Ohio

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park as of and for the year ended December 31, 2002, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Brook Park's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brook Park, as of December 31, 2002, and the respective changes in financial position, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 17, during the year ended December 31, 2002, the City implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statements No. 34, 37, 38 and Interpretation 6.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2003 on our consideration of the City of Brook Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



Members of the City Council
City of Brook Park, Ohio

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City of Brook Park's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund financial statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cini & Parichi, Inc.

Cleveland, Ohio
June 11, 2003

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

The discussion and analysis of the City of Brook Park's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2002. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof.

Financial Highlights

Key financial highlights for 2002 are as follows:

- ◆ The assets of the City of Brook Park exceeded its liabilities at the close of the most recent fiscal year by \$54,427,777 (net assets). Of this amount, \$14,432,433 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- ◆ Total assets increased by \$3,526,166, which represents a increase of approximately 5.5 percent over 2001. The biggest change was a increase approximately \$3 million in the Cash and Cash Equivalents.
- ◆ As of the close of the current fiscal year, the City of Brook Park's governmental funds reported a combined ending fund balances of \$19,410,728, an increase of \$2,374,079 in comparison with the prior year. Approximately 96 percent of this total amount, \$18,617,881, is available for spending at the government's discretion (*unreserved fund balance*).
- ◆ At the end of the current fiscal year, unreserved fund balance for the general fund was \$9,806,732, or 54 percent of total general fund expenditures.

Using this Annual Financial Report

This discussion and analysis are intended to serve as an introduction to the City of Brook Park's basic financial statements. The City of Brook Park's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Government-wide Financial Statements – Reporting the City of Brook Park as a Whole

The government-wide financial statements are designed to provide readers with a broad overview of the City of Brook Park's finances, in a manner similar to a private-sector business.

Statement of Net Assets and the Statement of Activities

The Statement of Net Assets presents information on all the City of Brook Park's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increase or decrease in net assets may serve as a useful indicator of whether the financial position of the City of Brook Park is improving or deteriorating. However, in evaluating the overall position of the City, nonfinancial factors such as the City's tax base, change in property and income tax laws, and the condition of the capital assets should also be considered. Both the Statement of Net Assets and the Statement of Activities use the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities will include the following activities:

- ◆ Governmental activities: most of the City's basic services are reported here, including the police, fire, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, and state and federal grants finance most of these activities.

Fund Financial Statements - Reporting the City of Brook Park's Most Significant Funds

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The City of Brook Park, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Brook Park can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all *other financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Fund Financial Statements - Reporting the City of Brook Park's Most Significant Funds (continued)

Governmental Funds (continued)

The City of Brook Park maintains 17 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General fund and Capital Improvement fund; all of which are considered to be major funds. Data from the other governmental funds are combined into single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Brook Park adopts an annual appropriated budget for each of its funds. A budgetary comparison statement (non-GAAP basis) has been provided for each governmental and proprietary fund to demonstrate budgetary compliance.

Proprietary Funds

The City of Brook Park maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its self-insurance of health related employee benefits. Because this fund predominately benefits governmental rather than business functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the internal service fund which accounts for self-insurance of health benefits.

The basic proprietary fund financial statements can be found starting on page 22 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources are not available to support the City's own programs. The City of Brook Park has only agency funds to report within this category. Agency funds are reported on a full accrual basis and only present a statement of assets and liabilities.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 26 of this report.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Fund Financial Statements - Reporting the City of Brook Park's Most Significant Funds (continued)

Other Information

In addition to the basis financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented, as well as individual detailed budgetary comparisons for all nonmajor funds. This information can be found starting on page 53 of this report.

Government-Wide Financial Analysis – City of Brook Park as a Whole

As noted earlier, the Statement of Net Assets looks at the City as a whole and can prove to be a useful indicator of the City's financial position.

The Statement of Net Assets and the Statement of Activities are divided into the following categories:

- ◆ Assets
- ◆ Liabilities
- ◆ Net Assets (Assets minus Liabilities)
- ◆ Program Expenses and Revenues
- ◆ General Revenues
- ◆ Net Assets Beginning and End of Year

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Table 1 provides a summary of the City's net assets for 2002 as compared to 2001.

Table 1
City of Brook Park Net Assets
(In Millions)

	Governmental Activities	
	2002	2001
Assets		
Current and Other Assets	\$26,014,863.0	\$22,919,132.0
Capital Assets, Net	41,389,786.0	40,959,351.0
Total Assets	<u>67,404,649.0</u>	<u>63,878,483.0</u>
Liabilities		
Current Liabilities and Other Liabilities	4,831,666.0	3,922,460.0
Long-term Liabilities		
Due Within One Year	2,124,660.0	1,761,385.0
Due In More Than One Year	6,020,546.0	7,389,702.0
Total Liabilities	<u>12,976,872.0</u>	<u>13,073,547.0</u>
Net Assets		
Invested in Capital Assets,		
Net of Related Debt	33,140,262.0	33,140,262.0
Restricted for:		
Capital Projects	6,437,817.0	3,179,542.0
Debt Service	417,265.0	404,547.0
Unrestricted	<u>14,432,433.0</u>	<u>14,080,585.0</u>
Total Net Assets	<u><u>\$54,427,777.0</u></u>	<u><u>\$50,804,936.0</u></u>

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Government-Wide Financial Analysis – City of Brook Park as a Whole (continued)

An additional portion of the City of Brook Park's net assets, 12 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of the unrestricted net assets, \$14,432,433, may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net assets increased by \$3,622,841 during the current fiscal year. The following factors were responsible for this increase:

- Cash and cash equivalents showed an increase of approximately \$3 million over 2001.
- The increase in capital assets reflects the purchase of new vehicles in the fire department, construction in progress, and road improvements.

The largest portion of the City's net assets (61 percent) reflect its investment in capital assets (e.g. land, buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City has tried to make concerted efforts to maximize the return on investments of its cash and cash equivalents, and use these funds to provide liquidity for planned future capital purchases. Due to the decrease in interest rates over the past year, the investments have shifted from short term CD's and government notes to longer term federal government agency issues. However, even though State code allows for investments with maturities of five years or less, the City has not invested in any instrument with a maturity of more than two years.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for the current year. However, since this is the first year the City has prepared financial statements in accordance with GASB 34, revenue and expense comparisons to 2001 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Table 2
Changes in Net Assets
(In Millions)

	Governmental Activities
	2002
Program Revenues	
Charges for Services	\$5,502,704.0
Operating Grants, Contributions and Interest	28,330.0
<i>Total Program Revenues</i>	5,531,034.0
General Revenues	
Property Taxes	2,737,310.0
Income Taxes	20,462,203.0
Grants and Entitlements	2,259,776.0
Investment Earnings	298,621.0
Other-Loss on Disposal of Land	(1,692,919.0)
<i>Total Revenues</i>	29,596,025.0
Program Expenses	
General Government	7,212,678.0
Security of Persons and Property	8,159,875.0
Public Health Services	236,480.0
Transportation	2,851,957.0
Leisure Time Activities	2,430,096.0
Community Environment	1,622,207.0
Basic Utility Services	3,110,630.0
Interest and Fiscal Charges	349,621.0
<i>Total Program Expenses</i>	25,973,544.0
<i>Change in Net Assets</i>	\$3,622,481.0

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

Government-Wide Financial Analysis – City of Brook Park as a Whole (continued)

Governmental Activities

Several revenue sources fund our governmental activities, with City income tax being the largest contributor. The City's income tax rate is two percent on gross income and has not changed since 1991 when the tax was originally instituted. Residents of the City who work in another community and pay the withholding tax for that community receive a 100 percent tax credit on their City tax for Brook Park. During 2002 the revenues generated from this tax amounted to \$20.5 million. The drop in revenues seemed to be a nationwide occurrence due to the general state of the economy. The City continues to enforce the delinquent letter program and the subpoena program to ensure compliance with the local tax laws. City income tax revenue of 30% is earmarked for specific capital improvements. These revenues are allocated by an Ordinance of City Council providing that a substantial portion of our income tax collections is set aside for roads, city facilities, and capital needs. Of the \$29,596,025 in total revenue, income tax accounts for 70 percent. Property tax of \$2,737,310 accounts for 9 percent of total revenue, which constituted an increase of eight percent over the \$2.5 million collected during 2001. As expected, investment earnings continued to drop as the Federal Reserve continues to cut the Federal funds rate.

General revenues from grants and entitlements, such as local government funds, are also revenue generators. With the combination of income tax, property tax, and intergovernmental funding, all expenses in the governmental activities are funded. The City monitors its source of revenues very closely for fluctuations.

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. The largest program function for the City relates to General Government and Security of Persons and Property. During 2002, 31 percent of program expenses related to security of persons and property, which include police and fire departments. The next largest function was general government, which accounts for 28 percent of program expenses.

The Police and Fire Departments operate within their overtime budgets which account for a small portion of the total cost of operating both departments. Currently there are 40 full-time sworn officers in the Police Department. This number will be boosted to 43 during 2003 due to additional hiring. During 2002 the department continued to place strong emphasis on the training of its employees to keep up with the rapidly changing laws, practices and technology. In 2002 the jail was converted to a three-day holding facility to reduce the costs of operations of a full-fledged jail and the liabilities associated with running such a facility. The court-sanctioned self-supporting juvenile diversion program which was put in effect in February proved to be a success. The City was reimbursed \$61,840 during 2002 from Cuyahoga County.

The Fire Department consists of 40 full-time fire fighters. Again, training plays a crucial role in the day to day operation of the Fire Department. The department handled 2,564 calls for assistance, of which approximately 2,038 were for EMS and 526 for fire and fire related incidents. This constituted an increase of 4 percent over 2001. Significant improvements have been made to our fire service, including a purchase of a new aerial ladder truck.

General government program expenses relate to salaries and fringe benefits, which accounts for 77 percent of total general fund expenditures. Salaries and the cost of hospitalization continue to increase from year to year. The increase from 2001 to 2002 was 14 percent. Another contributing factor to the general government expense is the cost of insurance for the city's buildings, vehicles, equipment and liability. Insurance costs rose 56 percent from 2001 due to the event of September 11, 2001, as well as increase in claims.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

The City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 16. These funds are accounted for using the modified accrual basis of accounting.

As of the end of the current fiscal year, the City of Brook Park's governmental funds reported combined ending fund balances of \$19,410,728. Of this amount, \$18,617,881 constitutes unreserved fund balances, which is available for spending at the government's discretion. The balance of \$892,847 (\$677,663 to liquidate contracts and purchases of the prior period and \$115,184 to reflect year end inventory) is not available for new spending because it has already been committed.

The General Fund is the chief operating fund of the City of Brook Park. At the end of the current fiscal year the General Fund balance was \$10,129,847, of which \$9,806,732 is unreserved. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The unreserved fund balance represents 54 percent of total General Fund expenditures, while total fund balance represents 56 percent of that same amount.

The General Funds fund balance decreased by \$1,820,191. The reduction is due to the transfer of \$3,390,000 to establish the Capital Construction Fund within the Capital Improvement Fund. This was created to accumulate funds for future infrastructure improvements.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. An annual appropriation budget is legally required to be prepared for all funds of the City, except agency funds. Council is provided with a detailed line item budget for all departments, and after a discussion at a regularly held council meeting, which is open to the public, the budget is adopted at an object level by City Council. Within each object, appropriations can be transferred between line items with the approval of the Mayor, Finance Director and the respective department head. Council must approve any revisions in the budget that alter the object level totals or the total appropriations for any department or fund. During the course of fiscal 2002 the City amended its general fund budget twice during the fiscal year. The finance department watches all the departmental budgets closely to monitor compliance with allocated budgets and provides monthly reports to City Council depicting monthly and year-to-date activity.

The budget basis revenue for the General Fund was \$21 million. The City continues the conservative practice of estimating conservatively in the tax, intergovernmental and interest revenues areas. The original appropriations of \$19 million were sufficient to meet the expenditures for the year (\$18 million).

The City's ending unobligated budgetary fund balance was \$1,944,331 higher than the final budgeted amount.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

The City's Funds (continued)

Capital Assets

At the end of fiscal 2002 the City of Brook Park had \$33 million invested in land, buildings, and equipment.

Table 4 shows fiscal 2002 balances of Capital Assets as compared to 2001:

Table 4
Capital Assets at December 31
(Net of Depreciation, in Millions)

	Governmental Activities	
	2002	2001
Land	\$4,216,308.0	\$6,184,227.0
Construction in Progress	\$1,662,153.0	\$0.0
Improvements to Land	1,533,767.0	1,489,595.0
Buildings and Improvements	11,509,015.0	11,837,823.0
Vehicles	4,436,287.0	3,203,295.0
Furniture, Fixtures and Equipment	1,021,854.0	1,043,233.0
Infrastructure		
Streets	5,093,810.0	4,957,223.0
Water Lines	69,266.0	77,333.0
Sanitary Sewer System	11,847,326.0	12,166,622.0
Total Capital Assets	\$41,389,786.0	\$40,959,351.0

The streets inventory was higher by \$404,400 due to some resurfacing and reconstruction projects. However, this proves the City's aggressive stance on maintaining its assets, including infrastructure, in excellent condition. The decrease in the cost of land was due to the transfer of property to the City of Cleveland as part of the Airport Settlement Agreement.

With regards to the infrastructure, the City's engineering department maintains a comprehensive listing of all the streets, bridges, culverts and sewer lines in the City. As part of the City's annual road maintenance program, the Engineer evaluates the condition of each street after each winter and prepares a list of streets to be either resurfaced or cracksealed and in the case of concrete roads, either replaced or repaired. After approval from Council the projects are bid in early to late spring to get the best possible pricing from contractors. This program is paid for out of the Income Tax funds of the City.

City of Brook Park
Management's Discussion and Analysis
For the Year Ended December 31, 2002
(Unaudited)

The City's Funds (continued)

Debt

As of December 31, 2002, the City of Brook Park had \$8 million in outstanding debt, of which \$4,836,000 was in General Obligation Bonds. Table 4 summarizes the debt outstanding.

**Table 4
Outstanding Debt at Year End
(In Millions)**

	Governmental Activities	
	2002	2001
General Obligation Bonds	4,836,000.0	6,273,000.0
Capital Leases	1,263,712.0	1,546,089.0
Accrued Pension	66,413.0	61,955.0
Compensated Absences	1,979,081.0	1,270,043.0
Total	\$8,145,206.0	\$9,151,087.0

As of December 31, 2002, the City's overall legal debt margin was \$59,548,861, with an unvoted debt margin of \$31,192,260. The City of Brook Park has an aggressive debt reduction attitude whereby most long term bonds are paid off within ten years as opposed to fifteen or twenty years. Other obligations include accrued vacation pay and sick leave, accrued pension, and capital leases. More detailed information about the City's long-term liabilities is presented in the notes to the basic financial statements.

Current Related Financial Activities

The City of Brook Park maintains a strong financial position. In addition, the City of Brook Park's systems of budgeting and internal controls are well regarded and the City is well prepared to meet the challenges of the future. In conclusion, management has been committed to provide the residents of the City of Brook Park with full disclosure of the financial position of the City.

The City of Brook Park commits itself to financial excellence and has a history of doing just that. The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1989, the year of our first Comprehensive Annual Financial Report.

Contacting the City of Brook Park's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director, Gregory Cingle, at the City of Brook Park, 6161 Engle Rd, Brook Park, Ohio 44142, 216-433-1300.

CITY OF BROOK PARK, OHIO

STATEMENT OF NET ASSETS

DECEMBER 31, 2002

	<u>2002</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 19,415,820
Taxes Receivable	4,991,004
Accounts Receivable	288,670
Interest Receivable	81,362
Intergovernmental Receivable	1,007,305
Special Assessments Receivable	8,479
Material and Supplies Inventory	115,184
Prepays	107,039
Nondepreciable assets	5,878,461
Depreciable assets, net	<u>35,511,325</u>
Total Assets	<u>67,404,649</u>
<u>Liabilities</u>	
Accounts Payable	351,618
Contracts Payable	248,910
Accrued Wages	506,159
Accrued Compensated Absences	71,354
Due to Other Governments	120,807
Deferred Revenue	2,641,431
Claims Payable	239,261
Accrued Pension	630,805
Accrued Interest Payable	21,321
Long-Term Liabilities:	
Due within One Year	2,124,660
Due in More Than One Year	<u>6,020,546</u>
Total Liabilities	<u>12,976,872</u>
<u>Net Assets</u>	
Investment in General Fixed Assets	33,140,262
Restricted For:	
Capital Projects	6,437,817
Debt Service	417,265
Unreserved	<u>14,432,433</u>
Total Net Assets	<u>\$ 54,427,777</u>

CITY OF BROOK PARK, OHIO

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Expense</u>	<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Total Governmental Funds</u>
<u>Government Activities</u>				
General Government	\$ 7,212,678	\$ 2,884,168	\$ -	\$ (4,328,510)
Security of Persons and Property	8,159,875	864,182	27,145	(7,268,548)
Public Health and Welfare	236,480	1,232	-	(235,248)
Transportation	2,851,957	-	-	(2,851,957)
Leisure Time Activities	2,430,096	267,864	-	(2,162,232)
Community Development	1,622,207	1,485,258	1,185	(135,764)
Basic Utility Service	3,110,630	-	-	(3,110,630)
Interest and Fiscal Charges	<u>349,621</u>	<u>-</u>	<u>-</u>	<u>(349,621)</u>
Total Governmental Activities	\$ <u>25,973,544</u>	\$ <u>5,502,704</u>	\$ <u>28,330</u>	<u>(20,442,510)</u>

General Revenues:

Property Taxes and, Levied for:

General Purposes 2,419,342

Other Purposes 317,968

Income Tax Levied for:

General Purposes 15,076,934

Capital Outlay 5,385,629

Grants and Entitlements not Restricted

to Specific Programs 2,259,776

Investment Income 298,621

Special Item – Loss on Disposal of Land (1,692,919)

Total Grants, Revenues and Special Items 24,065,351

Change in Net Assets 3,622,841

Net Assets at Beginning of Year 50,804,936

Net Assets at End of Year \$ 54,427,777

CITY OF BROOK PARK, OHIO

GOVERNMENTAL FUNDS BALANCE SHEET

DECEMBER 31, 2002

	<u>General</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 9,207,969	\$ 6,026,184	\$ 3,410,113	\$ 18,644,266
Taxes Receivable	3,789,470	675,705	525,829	4,991,004
Accounts Receivable	170,118	118,130	422	288,670
Interest Receivable	81,362	-	-	81,362
Intergovernmental Receivable	629,185	-	378,120	1,007,305
Special Assessments Receivable	-	-	8,479	8,479
Material and Supplies Inventory	115,184	-	-	115,184
Prepays	107,039	-	-	107,039
Total Assets	\$ <u>14,100,327</u>	\$ <u>6,820,019</u>	\$ <u>4,322,963</u>	\$ <u>25,243,309</u>
<u>Liabilities</u>				
Accounts Payable	\$ 209,663	\$ 133,292	\$ 8,663	\$ 351,618
Contracts Payable	-	248,910	-	248,910
Accrued Wages	459,920	-	46,239	506,159
Accrued Compensated Absences	71,354	-	-	71,354
Due to Other Governments	103,963	-	16,844	120,807
Deferred Revenue	2,942,401	158,203	802,324	3,902,928
Accrued Pension	183,179	-	447,626	630,805
Total Liabilities	<u>3,970,480</u>	<u>540,405</u>	<u>1,321,696</u>	<u>5,832,581</u>
<u>Fund Balances</u>				
Reserve for Encumbrances	207,931	439,210	30,522	677,663
Reserve for Inventory	115,184	-	-	115,184
Unreserved	<u>9,806,732</u>	<u>5,840,404</u>	<u>2,970,745</u>	<u>18,617,881</u>
Total Fund Balance	<u>10,129,847</u>	<u>6,279,614</u>	<u>3,001,267</u>	<u>19,410,728</u>
Total Liabilities and Fund Equity	\$ <u>14,100,327</u>	\$ <u>6,820,019</u>	\$ <u>4,322,963</u>	\$ <u>25,243,309</u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2002

Total Governmental Funds Balances \$ 19,410,728

Amounts Reported for Governmental Activities in the Statement of Net Assets are different because:

Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds. 41,389,786

Other Long-Term Assets are not available to pay for current-period expenditures and therefore are deferred in the Funds.

Property and Other Taxes	85,312
Municipal Income Taxes	527,345
Special Assessments	8,479
Intergovernmental	<u>640,361</u>

Total 1,261,497

In the Statement of Activities, Interest is accrued on outstanding bonds, whereas in Governmental Funds, an interest expenditure is reported when due. (21,321)

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in Governmental Activities in the Statement of Net Assets. 532,293

Long-Term Liabilities are not due and payable in the current period and are therefore not reported in the Funds.

General Obligation Bonds	(4,836,000)
Capital Leases	(1,263,712)
Accrued Pension	(66,413)
Compensated Absences	<u>(1,979,081)</u>

Total (8,145,206)

Net Assets of Governmental Activities \$ 54,427,777

CITY OF BROOK PARK, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>General</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>				
Property Taxes	\$ 1,988,363	\$ -	\$ 458,056	\$ 2,446,419
Municipal Income Tax	15,293,839	5,227,426	-	20,521,265
Other Local Taxes	153,885	-	192,820	346,705
Intergovernmental	1,469,630	1,185	791,103	2,261,918
Charges for Services	843,226	-	1,278,773	2,121,999
License and Permits	413,044	-	-	413,044
Fines and forfeitures	311,425	-	405	311,830
Special Assessments	-	-	4,282	4,282
Investment Income	272,796	21,886	3,939	298,621
Miscellaneous Income	128,345	53,337	122,251	303,933
Reimbursements	146,227	159,169	-	305,396
Total Revenues	<u>21,020,780</u>	<u>5,463,003</u>	<u>2,851,629</u>	<u>29,335,412</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property	7,621,134	73,501	1,364,519	9,059,154
Public Health	62,593	-	173,887	236,480
Leisure Time Activities	2,186,439	86,723	110,075	2,383,237
Community Development	988,967	14,152	666,707	1,669,826
Basic Utility Service	2,673,386	-	-	2,673,386
Transportation	479,396	728,083	1,225,274	2,432,753
General Government	3,789,552	190,230	-	3,979,782
Capital Outlay	417,864	2,922,625	-	3,340,489
Debt Service:				
Principal Retirement	-	-	1,437,000	1,437,000
Interest and Fiscal Charges	-	-	328,300	328,300
Total Expenditures	<u>18,219,331</u>	<u>4,015,314</u>	<u>5,305,762</u>	<u>27,540,407</u>
Excess of Revenues Over (Under) Expenditures	<u>2,801,449</u>	<u>1,447,689</u>	<u>(2,454,133)</u>	<u>1,795,005</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Land	-	-	275,000	275,000
Operating Transfers – In	305,818	3,390,000	2,971,257	6,667,075
Operating Transfers – Out	(4,927,458)	(1,737,617)	(2,000)	(6,667,075)
Total Other Financing Sources (Uses)	<u>(4,621,640)</u>	<u>1,652,383</u>	<u>3,244,257</u>	<u>275,000</u>

Continued

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>General</u>	<u>Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,820,191)	3,100,072	790,124	2,070,005
Fund Balance at Beginning of Year, Restated	<u>11,950,038</u>	<u>3,179,542</u>	<u>2,211,143</u>	<u>17,340,723</u>
Fund Balance at End of Year	\$ <u>10,129,847</u>	\$ <u>6,279,614</u>	\$ <u>3,001,267</u>	\$ <u>19,410,728</u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2002

Net Change in Fund Balances - Total Governmental Funds \$ 2,070,005

Amounts Reported for Governmental Activities in the Statement of Activities are different because:

Governmental Funds report Capital Outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Outlay	3,719,640	
Depreciation	<u>(1,321,286)</u>	
Total		2,398,354

In the Statement of Activities, only the loss on the disposal of Land is reported, whereas, in the Governmental Funds, the proceeds from the disposal increase financial resources. Thus, the change in Net Assets differs from the change in Fund Balance by the cost of the Land.

(1,967,919)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the Funds.

Property and Other Taxes	(39,140)	
Municipal Income Taxes	(58,702)	
Special Assessments	(4,239)	
Intergovernmental	<u>26,188</u>	
Total		(75,893)

Repayment of Bond Principal is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Assets.

1,719,376

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental Funds.

Compensated Absences	(709,037)	
Due to Other Governments	(4,458)	
Accrued Interest on Bonds	<u>(21,321)</u>	
Total		<u>(734,816)</u>

Internal Service Funds are used by management to charge to costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service Fund is reported with Governmental Activities.

213,734

Change in Net Assets of Governmental Activities \$ 3,622,841

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 1,989,448	\$ 1,988,363	\$ 1,988,363	\$ -
Income Taxes	13,790,000	15,341,274	15,341,274	-
Other Local Taxes	150,000	167,035	167,035	-
Intergovernmental	1,529,111	1,464,200	1,464,200	-
Charges for Services	853,673	824,618	824,618	-
Licenses and Permits	424,000	367,146	367,146	-
Fines and Forfeitures	291,000	317,405	317,405	-
Investment Income	377,000	407,417	407,417	-
Reimbursements Received	50,000	104,696	104,696	-
Other	<u>70,067</u>	<u>132,208</u>	<u>132,208</u>	<u>-</u>
Total Revenues	<u>19,524,299</u>	<u>21,114,362</u>	<u>21,114,362</u>	<u>-</u>
<u>Expenditures</u>				
Current operations and maintenance:				
Security of Persons and Property	8,160,062	8,066,676	7,682,198	384,478
Leisure Time Activities	2,187,711	2,288,046	2,189,770	98,276
Community Development	1,164,908	1,213,667	998,411	215,256
Basic Utility Services	2,717,116	2,798,436	2,657,105	141,331
Transportation	567,930	626,180	528,399	97,781
General Government	4,841,455	5,125,986	4,274,589	851,397
Public Health Services	<u>62,593</u>	<u>62,593</u>	<u>62,593</u>	<u>-</u>
Total Expenditures	<u>19,701,775</u>	<u>20,181,584</u>	<u>18,393,065</u>	<u>1,788,519</u>
Excess of Revenues Over (Under) Expenditures	<u>(177,476)</u>	<u>932,778</u>	<u>2,721,297</u>	<u>1,788,519</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	27,611	212,316	12,316	(200,000)
Operating Transfers – Out	<u>(4,698,600)</u>	<u>(4,679,958)</u>	<u>(4,627,458)</u>	<u>52,500</u>
Total Other Financing Sources (Uses)	<u>(4,670,989)</u>	<u>(4,467,642)</u>	<u>(4,615,142)</u>	<u>(147,500)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,848,465)	(3,534,864)	(1,893,845)	1,641,019
Fund Balance at Beginning of Year, Restated	10,798,439	10,798,502	10,798,502	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>303,312</u>	<u>303,312</u>
Fund Balance at End of Year	<u>\$ 5,949,974</u>	<u>\$ 7,263,638</u>	<u>\$ 9,207,969</u>	<u>\$ 1,944,331</u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF NET ASSETS
PROPRIETARY FUND

DECEMBER 31, 2002

	Governmental Activities - Internal Service Fund
<u>Assets</u>	
Cash and Cash Equivalents	\$ <u>771,554</u>
<u>Liabilities</u>	
Claims Payable	\$ <u>239,261</u>
<u>Net Assets</u>	
Unrestricted	<u>532,293</u>
Total Liabilities and Net Assets	\$ <u>771,554</u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2002

	Governmental Activities - Internal Service Fund
<u>Revenues</u>	
Reimbursements	\$ <u>2,029,785</u>
<u>Expenses</u>	
Contractual Services	<u>1,816,051</u>
Change in Net Assets	213,734
Net Assets at Beginning of Year	<u>318,559</u>
Net Assets at End of Year	\$ <u><u>532,293</u></u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF CASH FLOWS PROPRIETARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Governmental Activities - Internal Service Fund</u>
<u>Increase in Cash and Cash Equivalents</u>	
<u>Cash Flows From Operating Activities</u>	
Cash Payments for Contractual Services	\$ (1,788,805)
Cash Received for Reimbursements	2,029,785
Net Increase in Cash and Cash Equivalents	240,980
Cash and Cash Equivalents at Beginning of Year	<u>530,574</u>
Cash and Cash Equivalents at End of Year	\$ <u><u>771,554</u></u>
<u>Reconciliation of Operating Income to Net Cash From Operating Activities</u>	
Operating Income	\$ 213,734
Adjustments to Reconcile Operating Income to Net Cash From Operating Activities:	
Change in Assets and Liabilities:	
Increase in Claims Payable	<u>27,246</u>
Net Cash Provided by Operating Activities	\$ <u><u>240,980</u></u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS

DECEMBER 31, 2002

	<u>Agency</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 94,747
<u>Liabilities</u>	
Due to Other Governments	68,372
Deposits Held	<u>26,375</u>
Total Liabilities	\$ <u>94,747</u>

The Notes to the Basic Financial Statements are an Integral Part of this Statement

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 – THE REPORTING ENTITY

The City of Brook Park is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a mayor-council form of government, was adopted October 18, 1966.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Brook Park, this includes police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, refuse collection and general administrative services. The City's departments include a public safety department, a public service department, a street maintenance department, a sanitation system, a parks and recreation department, a planning and zoning department, and a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation of each of these activities and entities is directly controlled by the City Council through the budgetary process.

The Mayor's Court (the Court), which provides judicial services, is responsible for the levying and collecting of fines and forfeitures under state and local laws, and their subsequent distribution to various government agencies. The City budgets and appropriates funds for the operation of the Court and is ultimately responsible for any operating deficits sustained by the Court. The City's share of the fines collected by the Court, along with its share of the Court's administrative and operating costs, are recorded in the City's General Fund. Due to this relationship, the Court is not considered a component unit of the City but rather as part of the primary government unit itself. Monies held by the Court in a fiduciary capacity are recorded as an agency fund in the accompanying financial statements.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

Jointly Governed Organization – Southwest General Health Center is an Ohio nonprofit corporation providing health services. The Health Center is a jointly governed organization among the communities of Berea, Brook Park, Columbia Township, Middleburg Heights, Olmsted Falls and Strongsville.

The Health Center is governed by a Board of Trustees consisting of the following: one member of the legislative body from each of the political subdivisions, one resident from each of the political subdivisions who is not a member of the legislative body, three persons who are residents of any of the participating political subdivisions, the president and the executive vice president of the corporations, and the president and the vice president of the medical staff. The legislative body of each political subdivision elect their own member to serve on the Board of Trustees of the Health Center.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 1 – THE REPORTING ENTITY (CONTINUED)

The Board exercises total control over the operations of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2002, the City of Brook Park contributed \$154,836 of property tax levies to the Health Center.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brook Park have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

A. BASIS OF PRESENTATION

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid doubling up revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business activity is self-financing or draws from the general revenues of the City.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. BASIS OF PRESENTATION (CONTINUED)

FUND FINANCIAL STATEMENTS

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. FUND ACCOUNTING

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used.

Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

GENERAL FUND

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Brook Park and/or the general laws of Ohio.

CAPITAL IMPROVEMENT FUND

The capital improvement fund accounts for that portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing those items necessary to enhance the operation of the City.

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. FUND ACCOUNTING (CONTINUED)

PROPRIETARY FUNDS

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The City has no enterprise funds.

INTERNAL SERVICE FUND

Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on a self-insurance program for employee medical benefits.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds.

C. MEASUREMENT FOCUS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

FUND FINANCIAL STATEMENTS

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

D. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

REVENUES – EXCHANGE AND NON-EXCHANGE TRANSACTIONS

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Available period for the City is thirty-one days after year-end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned.

Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 5).

Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BASIS OF ACCOUNTING (CONTINUED)

DEFERRED REVENUE

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2002, but which were levied to finance year 2003 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

EXPENSES/EXPENDITURES

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. BUDGETARY PROCESS

An annual appropriated budget is legally required to be prepared for all funds of the City other than agency funds. Council passes appropriations at the fund level. Line item appropriations may be transferred between the accounts with the approval of the City Manager, Finance Director and respective department head. Council must approve any revisions in the budget that alter total fund appropriations. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements:

TAX BUDGET

A tax budget of estimated revenue and expenditures for all funds other than agency funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20th of each year, for the period January 1 to December 31 of the following year.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. BUDGETARY PROCESS (CONTINUED)

ESTIMATED RESOURCES

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure.

On or about January 1 the certificate of estimated resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the Finance Director determines that revenue to be collected will be greater than or less than the prior estimates and the budget commission finds the revised estimates to be reasonable. The amounts reported in the budgetary statements as original represent the amounts in the first official certificate of estimated resources issued during 2002. The amounts reported in the budgetary statements as final reflect the amounts in the final amended official certificate of estimated resources issued during 2002.

ANNUAL ESTIMATE

The Mayor, with the assistance of the Finance Director, is required by Charter to submit to Council, on or before December 1 of each fiscal year, an estimate of the revenues and expenditures of each fund of the City for the next succeeding fiscal year. The annual estimate serves as the basis for appropriations (the appropriated budget) in each fund.

APPROPRIATIONS

An appropriation ordinance (the appropriated budget) to control the level of expenditures for all funds must be legally enacted on or about January 1. Appropriations may not exceed estimated resources as established in the Official Amended Certificate of Estimated Resources. Supplemental appropriations may be adopted by Council action. During the year, several supplemental appropriation measures were necessary. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget for each fund that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

LAPSING OF APPROPRIATIONS

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried over for the subsequent year's expenditures and is reappropriated.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. BUDGETARY PROCESS (CONTINUED)

BUDGETED LEVEL OF EXPENDITURE

Administrative control is maintained through the establishment of detailed line-item budgets. Appropriated funds may not be expended for purposes other than those designated in the appropriation ordinance without authority from Council. Expenditures plus encumbrances may not legally exceed appropriations at the level of appropriation adopted by Council. For all funds, except capital projects funds, Council appropriations are made to personal services, travel and education, contractual services, supplies and materials, capital outlay, other expenditures, debt principal and interest payments, and transfer accounts for each department. Capital projects funds are appropriated by department or project. The appropriations set by Council must remain fixed unless amended by Council ordinance. More detailed appropriation allocations may be made by the Finance Director as long as the allocations are within Council's appropriated amount.

ENCUMBRANCES

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent-year expenditures of governmental funds. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent year expenditures for governmental funds, and as a note disclosure for proprietary funds.

F. CASH AND CASH EQUIVALENTS

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating repurchase agreements, which are reported at cost. For investments in open-end mutual funds, fair value is determined by the fund's share price.

During the year, the City invested in STAROhio, an investment pool managed by the State Treasurer's Office. STAROhio which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2002.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. CASH AND CASH EQUIVALENTS (CONTINUED)

Interest allocation is determined by the Ohio Constitution, state statutes, and local ordinances adopted under City Charter. Under these provisions, City funds required to receive interest allocations are: 1) those which receive proceeds from the sale of notes and/or bonds and 2) those which receive distributions of state gasoline tax and motor vehicle licenses fees (street maintenance and state highway special revenue funds). All remaining interest is allocated to the general fund. Legally, proprietary funds generally do not receive interest.

G. INVENTORY

Inventories are stated at cost, on the first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types and expenses in the proprietary fund types when used.

H. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond December 31, 2002, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

I. CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of five thousand dollars. The City's infrastructure consists of bridges, culverts, curbs, sidewalks, storm sewers, streets, irrigation systems and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. CAPITAL ASSETS (CONTINUED)

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	50 years
Machinery and Equipment	10 to 15 years
Vehicles	6 to 10 years
Infrastructure	25 to 50 years

J. INTERFUND BALANCES

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables". Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets.

K. COMPENSATED ABSENCES

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at fiscal year end taking into consideration any limits specified in the City's termination policy. Additionally, certain salary related payments associated with the payment of compensated absences have been accrued.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

M. FUND BALANCE RESERVES

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances and inventories.

N. NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are reimbursements for self-insurance programs. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the fund.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Q. EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

R. ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The Statements of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Basis) and Actual presented for the general and capital improvement funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (CONTINUED)

- (b) Expenditures/Expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general and capital improvement fund.

	<u>Net Change in Fund Balance</u>
GAAP Basis	\$ <u>General</u> (1,820,191)
<u>Increase (Decrease) Due to:</u>	
Revenue Accruals	(199,920)
Expenditure Accruals	429,578
Outstanding Encumbrances	<u>(303,312)</u>
Budget Basis	\$ <u>(1,893,845)</u>

NOTE 4 – DEPOSITS AND INVESTMENTS

The City's Charter specifies that investments of the City will adhere to state statutes. Under these statutes, the City Finance Director is responsible for selecting depositories and investing funds. The City, by statute, is to limit deposits and investments of City funds to insured demand deposit accounts, certificates of deposit, United States treasury bills, or obligations of other United States governmental agencies for which the principal and interest is guaranteed by the United States government, and repurchase agreements.

Protection of City cash and investments is provided by the various federal deposit insurance corporations as well as qualified securities pledged by the institutions holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 110% of public funds deposited. At least quarterly the City determines that the collateral has a market value adequate to cover the deposits. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

DEPOSITS

At year end, the carrying amount of the City's deposits was \$9,188,556 and the bank balance was \$9,348,891. Of the bank balance:

1. \$305,831 was covered by the federal depository insurance.
2. \$9,043,060 was covered by collateral held by third party trustees pursuant to Section 135.181, Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions but not in the name of the City.

INVESTMENTS

The City's investments are detailed below and are categorized to give an indication of the level of risk assumed by the City at year-end. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name or, (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

<u>Description</u>	<u>Risk Category</u>	<u>Fair</u>
	<u>3</u>	<u>Value</u>
Federal National Mortgage Association	\$ 500,000	\$ 500,000
Federal National Loan Mortgage Company	1,013,156	1,013,156
Federal National Home Loan Bank	500,000	500,000
Repurchase Agreement	5,831	5,831
State Treasury Asset		
Reserve of Ohio *	<u>-</u>	<u>8,303,024</u>
Total Investments	\$ <u>2,018,987</u>	\$ <u>10,322,011</u>

* Noncategorized

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 4 – DEPOSITS AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

The classification of cash and cash equivalents and investments on the combined balance sheet is based on criteria set forth in GASB Statement No. 9 “*Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting*”. Cash and equivalents are defined to include investments with original maturities of three months or less and funds included within the City’s cash management pool. A reconciliation between the classification of cash and investments on the combined financial statements and the classifications per GASB Statement No. 3 is as follows:

	<u>Cash and</u> <u>Cash Equivalents</u>	<u>Investments</u>
GASB Statement No. 9	\$ 19,510,567	\$ -
Investments:		
U.S. Government Securities	(2,013,156)	2,013,156
Repurchase Agreements	(5,831)	5,831
STAROhio	<u>(8,303,024)</u>	<u>8,303,024</u>
GASB Statement No. 3	\$ <u>9,188,556</u>	\$ <u>10,322,011</u>

STAR OHIO is an investment pool managed by the State Treasurer’s office which allows governments within the State to pool their funds for investment purposes. STAR OHIO is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR OHIO are valued at STAR OHIO’s share price which is the price the investment could be sold for on December 31, 2002.

NOTE 5 – RECEIVABLES

Receivables at December 31, 2002 consisted of taxes, intergovernmental receivables arising from grants, entitlements or shared revenues, special assessments and interest on investments. All receivables are considered fully collectible.

A. PROPERTY TAX

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year, the lien date. Assessed values are established by state statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. The first payment is due January 20, with the remainder payable by June 20.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 5 – RECEIVABLES (CONTINUED)

A. PROPERTY TAX (CONTINUED)

Taxes collected on tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for *ad valorem* taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property currently is assessed at 88 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Brook Park. The County Auditor periodically remits to the City its portion of the taxes collected.

The full tax rate for all City operations for the year ended December 31, 2002, was \$4.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2002 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Estate	\$ 420,432,420
Public Utility	14,372,580
Tangible Personal	<u>132,327,007</u>
Total	\$ <u><u>567,132,007</u></u>

B. INCOME TAX

The City levies and collects a 2 percent income tax on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the General and Capital Improvement Capital Projects Funds, at seventy and thirty percent, respectively. The Capital Improvement Capital Projects Fund further allocates income taxes to other capital projects funds, as operating transfers, through the budgetary process. Income tax receipts for 2002 were \$20,589,029.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 5 – RECEIVABLES (CONTINUED)

C. INTERGOVERNMENTAL RECEIVABLES

A summary of the principal items of intergovernmental receivables follows:

	<u>Amounts</u>
Local Government Support	\$ 355,268
Local Government Revenue Assistance	44,717
Local Government – State	203,754
Estate Tax	12,645
Gasoline and Excise Tax	70,497
Public Utility Reimbursement	12,800
State Highway	303,764
Permissive Tax	3,860
Total	<u>\$ 1,007,305</u>

By statute, local property taxes have been reduced 10%, with additional reductions for the elderly and the disabled. The amount of these reductions will be paid to the City by the State of Ohio in the latter of part of 2002.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2002, was as follows:

	<u>Balances</u> <u>12-31-01</u>	<u>Threshold</u> <u>Adjustments</u>	<u>GASB 34</u> <u>Restated</u>	<u>Balance</u> <u>12-31-01</u> <u>Restated</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12-31-02</u>
Governmental Activities							
Nondepreciable Assets							
Land	\$ 9,017,448	\$ (29,541)	\$ (2,803,680)	\$ 6,184,227	\$ -	\$ (1,967,919)	\$ 4,216,308
Construction in Progress	-	-	-	-	1,662,153	-	1,662,153
Total Nondepreciable Assets	<u>9,017,448</u>	<u>(29,541)</u>	<u>(2,803,680)</u>	<u>6,184,227</u>	<u>1,662,153</u>	<u>(1,967,919)</u>	<u>5,878,461</u>
Depreciable Assets							
Buildings and Improvements	6,302,306	(11,200)	10,390,915	16,682,021	72,530	-	16,754,551
Improvements other than Buildings	114,149	(13,299)	1,786,017	1,886,867	129,159	(8,600)	2,007,426
Machinery & Equipment	3,099,354	(1,399,421)	-	1,699,933	78,525	(74,487)	1,703,971
Furniture & Fixtures	237,569	(114,448)	-	123,121	23,960	-	147,081
Vehicles	5,945,965	(17,585)	-	5,928,380	1,676,299	(244,299)	7,360,380
Infrastructure							
Streets	-	-	7,871,400	7,871,400	404,400	-	8,275,800
Sewers	-	-	15,964,800	15,964,800	-	-	15,964,800
Water Lines	-	-	242,000	242,000	-	-	242,000
Total Depreciable Assets	<u>15,699,343</u>	<u>(1,555,953)</u>	<u>36,255,132</u>	<u>50,398,522</u>	<u>2,384,873</u>	<u>(327,386)</u>	<u>52,456,009</u>

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Balances 12-31-01	Threshold Adjustments	GASB 34 Restated	Balance 12-31-01 Restated	Additions	Disposals	Balance 12-31-02
Less Accumulated Depreciation:							
Buildings and Improvements	-	-	(4,844,198)	(4,844,198)	(401,338)	-	(5,245,536)
Improvements other than Buildings	-	-	(397,272)	(397,272)	(84,987)	8,600	(473,659)
Machinery & Equipment	-	-	(734,431)	(734,431)	(113,378)	74,487	(773,322)
Furniture & Fixtures	-	-	(45,390)	(45,390)	(10,486)	-	(55,876)
Vehicles	-	-	(2,725,085)	(2,725,085)	(443,307)	244,299	(2,924,093)
Infrastructure							
Streets	-	-	(2,914,177)	(2,914,177)	(267,813)	-	(3,181,990)
Sewers	-	-	(3,798,178)	(3,798,178)	(319,296)	-	(4,117,474)
Water Lines	-	-	(164,667)	(164,667)	(8,067)	-	(172,734)
Total Accumulated Depreciation	-	-	(15,623,398)	(15,623,398)	(1,648,672)	327,386	(16,944,684)
Total Depreciable Assets, Net	<u>15,699,343</u>	<u>(1,555,953)</u>	<u>20,631,734</u>	<u>34,775,124</u>	<u>736,201</u>	<u>-</u>	<u>35,511,325</u>
Governmental Activities							
Capital Assets, Net	\$ <u>24,716,791</u>	\$ <u>(1,585,494)</u>	\$ <u>17,828,054</u>	\$ <u>40,959,351</u>	\$ <u>2,398,354</u>	\$ <u>(1,967,919)</u>	\$ <u>41,389,786</u>

*Depreciation expense was charged to governmental activities as follows:

General Government	\$ 56,443
Security of Persons and Property	268,592
Leisure Time Activities	324,350
Community Development	15,174
Basic Utility Services	458,727
Transportation	<u>525,386</u>
Total	\$ <u>1,648,672</u>

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 7 – LONG-TERM DEBT

The original issue date, interest rates, and original issuance amount for each of the City's bonds follows:

<u>Debt Issue</u>	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
General Obligation Bonds			
International Exposition Center Road Improvements	1985	2%	\$ 750,000
Various Purpose Improvements	1995	4.6% - 5.4%	13,050,000

Changes in long-term debt activity for the year ended December 31, 2002 was as follows:

	<u>Balance</u> <u>12/31/01</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>12/31/02</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
General Obligation Bonds					
International Exposition Center Road Improvements	\$ 168,000	\$ -	\$ 42,000	\$ 126,000	\$ 42,000
Various Purpose Improvements	<u>6,105,000</u>	<u>-</u>	<u>1,395,000</u>	<u>4,710,000</u>	<u>1,475,000</u>
Total General Obligation Bonds	<u>6,273,000</u>	<u>-</u>	<u>1,437,000</u>	<u>4,836,000</u>	<u>1,517,000</u>
Capitalized Lease Agreements					
Fire Copier	1,846	-	1,846	-	-
Police Copier	6,140	-	4,863	1,277	1,277
Public Service Vehicles	99,012	-	52,757	46,255	46,255
Fire Department Rescue Vehicle	91,534	-	48,772	42,762	42,762
Police Sedans	40,288	-	21,467	18,821	18,821
Recreation Copier	2,422	-	2,422	-	-
Mayor's Office Copier	2,812	-	2,400	412	412
Computers	14,230	-	14,230	-	-
Police Van	21,078	-	10,254	10,824	10,824
Fire Vehicles	39,329	-	19,664	19,665	19,665
Firetrucks	<u>1,227,398</u>	<u>-</u>	<u>103,702</u>	<u>1,123,696</u>	<u>104,368</u>
Total Capital Leases	<u>1,546,089</u>	<u>-</u>	<u>282,377</u>	<u>1,263,712</u>	<u>244,384</u>

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 7 – LONG-TERM DEBT (CONTINUED)

	Balance			Balance	Amounts
	<u>12/31/01</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/02</u>	<u>Due in</u>
					<u>One Year</u>
Accrued Compensated Absences	1,270,043	709,038	-	1,979,081	296,863
Accrued Pension	<u>61,955</u>	<u>4,458</u>	<u>-</u>	<u>66,413</u>	<u>66,413</u>
Total All Long-Term Debt	\$ <u>9,151,087</u>	\$ <u>713,496</u>	\$ <u>1,719,377</u>	\$ <u>8,145,206</u>	\$ <u>2,124,660</u>

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The International Exposition Center road improvement general obligation bonds outstanding at December 31, 2001, are to be repaid from a restricted portion of income taxes. Restricted income tax revenues are the tax withholdings on employees at the International Exposition Center, in excess of the base jobs and related withholding, adjusted annually by the change in the consumer price index. In the event that income tax revenues are not sufficient to meet annual principal and interest requirements, the City has reserved the right to levy and assess a special assessment on the property. Revenues will be received in and the debt will be repaid from the International Exposition Center debt service fund.

Compensated absences liabilities will be paid from the fund from which employees' salaries are paid. The claims payable for workers' compensation will be paid from the General Fund.

The City's overall legal debt margin was \$59,548,861 at December 31, 2002. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2002 are as follows:

	<u>General Obligations Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 1,517,000	\$ 254,180	\$ 1,771,180
2004	1,612,000	175,165	1,787,165
2005	<u>1,707,000</u>	<u>90,330</u>	<u>1,797,330</u>
Totals	\$ <u>4,836,000</u>	\$ <u>519,675</u>	\$ <u>5,355,675</u>

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 8 – CAPITAL LEASES

The City has entered into lease agreements as lessee for financing which relate to various equipment and vehicles. These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of their future minimum lease payments as of inception date.

	<u>Governmental Activities</u>
<u>Assets</u>	
Machinery and Equipment	\$ 53,453
Less: Accumulated Depreciation	<u>(22,712)</u>
Total	<u>\$ 30,741</u>
Vehicles	\$ 1,754,549
Less: Accumulated Depreciation	<u>(113,351)</u>
Total	<u>\$ 1,641,198</u>

A computer lease with a value of 81,963 is not included in the above amounts due to the individual assets making up the lease total do not meet the City's capitalization threshold policy.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2002, were as follows:

<u>Year</u>	<u>Payments</u>
2003	\$ 298,305
2004	154,035
2005	154,035
2006	154,035
2007	154,035
Thereafter	<u>616,140</u>
Total Minimum Lease Payments	1,530,585
Less: Amount Representing Interest	<u>266,873</u>
Present Value of Minimum Lease Payments	<u>\$ 1,263,712</u>

NOTE 9 – COMPENSATED ABSENCES

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy credits vacation leave on the employee's anniversary date and allows the unused balance to be carried ninety days past the subsequent anniversary date. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of four and six-tenths hours for every eighty hours worked. Each employee with the City is paid for five eighths of the employee's earned unused sick leave upon retirement from the City, or the full balance may be transferred to another governmental agency.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 10 – DEFINED BENEFIT PENSION PLANS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The City of Brook Park contributes to the Ohio Public Employees Retirement System (the “System”), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Board. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The System issues a stand-alone financial report. That report may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4042 or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members, other than those engaged in law enforcement, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The 2002 employer contribution rate for local governments was 13.55 percent of covered payroll. The City’s contributions to the System for the years ended December 31, 2002, 2001 and 2000 were \$604,431, \$596,162, and \$314,910, respectively, equal to the required contributions for each year.

B. OHIO POLICE AND FIRE PENSION FUND

The City of Brook Park contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10 percent of their annual covered salary, while employers are required to contribute 19.5 percent for police officers and 24.0 percent for firefighters. The City of Brook Park’s contributions to OP&F for the years ending December 31, 2002, 2001 and 2000 were \$1,056,380, \$1,012,350, and \$1,027,381, respectively, equal to the required contributions for each year.

NOTE 11 – POSTEMPLOYMENT BENEFITS

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement 12. A portion of each employer’s contribution to OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For local government employer units, the rate was 13.55 percent of covered payroll; 5.00 percent was the portion used to fund health care for the year. During 2002, the City’s portion that was used to fund health care was \$258,303, representing 5.00 percent of covered payroll.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 11 – POSTEMPLOYMENT BENEFITS (CONTINUED)

A. OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONTINUED)

The postretirement health care coverage is advance-funded on an actuarially determined basis. The following assumptions and calculations were based on OPERS's latest actuarial review performed as of December 31, 2001; an entry age normal actuarial cost method of valuation is used in determining the present value of benefit liabilities; the difference between assumed and actual experience is part of the unfunded actuarial accrued liability; the investment assumption rate for 2000 was 8.00 percent; all investments are carried at market value; for actuarial valuation purposes, a smoothed market approach is used – meaning that assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets; individual pay increases are assumed to increase 4.00 percent compounded annually, with no change in the number of active employees; annual pay increases over and above the 4.00 percent base increase were assumed to range from 0.50 percent to 6.30 percent; and health care costs are assumed to increase 4.00 percent annually. The actuarially accrued postretirement health care liability for OPERS at December 31, 2001 was \$16,400,000,000. The net assets were \$11,600,000,000, leaving an unfunded actuarial accrued liability of \$4,800,000,000. The number of active participants was 402,041.

B. OHIO POLICE AND FIRE PENSION FUND

The Ohio Police and Fire Pension Fund (“OP&F”) provides post-retirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (“OPEB”) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care cost paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll. The Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.5 percent and 7.75 percent of covered payroll in 2001 and 2002, respectively. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 2001, the date of the last actuarial valuation available, was 13,174 for police and 10,239 for firefighters. The City's actual contributions for 2002 that were used to fund post-employment benefits were \$185,342 for police and \$190,416 for firefighters. OP&F's total health care expenses for the year ending December 31, 2001, the date of the last actuarial valuation available, was \$122,298,771, which was net of member contributions of \$6,874,699.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 11 – POSTEMPLOYMENT BENEFITS (CONTINUED)

C. OTHER POST-EMPLOYMENT BENEFITS

The City, under local ordinance and employee bargaining contracts, provides post-retirement prescription drug coverage and life insurance for its retired employees and hospitalization for a retired employee's spouse or surviving spouse who meet certain requirements. The cost of these benefits, provided for under the City's existing group benefit policies, is paid solely by the City on a pay-as-you-go basis. The premiums for each type of benefit differs for those over and under age 65. The amount expended out of the general fund for each type of benefit and the number of participants in 2002 are:

<u>Benefit</u>	<u>Number of Participants</u>	<u>Amount Expended</u>
Hospitalization	4	\$ 21,314
Life	128	3,732
Prescription	2	<u>3,225</u>
		<u>\$ 28,271</u>

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During the year, the City contracted with Wichert Insurance Services, Inc. to manage its insurance coverage. The coverage limits, on December 31, 2002, per occurrence for all types of coverage are as follows:

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Property:		
Blanket building and contents	CNA Insurance	\$ 37,448,882
Boiler and machinery	CNA Insurance	5 million
Extra expense	CNA Insurance	1 million
Ordinance or Law	CNA Insurance	1 million

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
General Liability:		
Commercial General Liability	CNA Insurance	1 million
Employee Benefits	CNA Insurance	2 million
Employers Liability	CNA Insurance	2 million
EMT Liability	CNA Insurance	1 million
Automotive Liability	CNA Insurance	1 million
Excess Liability:		
Umbrella	CNA Insurance	10 million

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 12 – RISK MANAGEMENT (CONTINUED)

<u>Type of Coverage</u>	<u>Carrier</u>	<u>Coverage</u>
Other Coverage:		
Contractors Equipment	CNA Insurance	\$ 1,057,785
EDP Equipment	CNA Insurance	356,585
Employee Dishonesty	CNA Insurance	100,000
Valuable Papers	CNA Insurance	100,000
Accounts Receivable	CNA Insurance	100,000
Law Enforcement	CNA Insurance	1 million
Public Officials	CNA Insurance	1 million

There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three fiscal years.

The City provides two different medical plans for full time employees and their families. Both plans, the traditional plan and the select plan with a Preferred Provider Organization, are self-funded and administered by a third party administrator. All covered employees also received prescription drug coverage, vision and dental plans. Full time employees are covered by a \$25,000 term life insurance policy.

For the select plan, the preferred provider prices all claims which are then submitted to the third party administrator. The third party administrator reviews and processes the claims, which the City then pays. The City has stop loss coverage of \$200,000 in the aggregate. In 2002, the City funded the self-insurance reserve \$389.01 per month for single coverage and \$997.90 per month for family coverage for the traditional plan and \$344.98 per month for single coverage and \$890.97 per month for family coverage for the select plan. These rates are paid by the fund from which the employee's compensation is paid.

The claims liability of \$239,261 as estimated by third party administrator and reported in the Internal Service Fund at December 31, 2002 is based on the requirements of the Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. Changes in the fund's claim liability amount for the years ended 2001 and 2002 are as follows:

	<u>Beginning of</u>	<u>Current Year Claims</u>	<u>Claim</u>	<u>Balance at</u>
	<u>Year Liability</u>	<u>and Changes in Estimates</u>	<u>Payments</u>	<u>Year End</u>
2001	\$ 188,540	\$ 1,213,216	\$ (1,189,741)	\$ 212,015
2002	212,015	1,396,747	(1,369,501)	239,261

The State of Ohio provides workers' compensation coverage. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

The City has several outstanding contracts with construction contractors. \$248,910 remains on these contracts as of December 31, 2002.

NOTE 14 – INTERFUND BALANCES AND TRANSFERS

Interfund transfers for the year ended December 31, 2002, consisted of the following:

<u>Transfer to</u>	<u>Transfer From</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Improvement</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$ 3,817	\$ 2,000	\$ 5,817
Capital Improvement	3,390,000	-	-	3,390,000
Nonmajor Governmental Funds	<u>1,537,458</u>	<u>1,733,800</u>	<u>-</u>	<u>3,271,258</u>
	<u>\$ 4,927,458</u>	<u>\$ 1,737,617</u>	<u>\$ 2,000</u>	<u>\$ 6,667,075</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

NOTE 15 – CONTINGENCIES/PENDING LITIGATION

The City of Brook Park is involved in a variety of litigation. The City's management is of the opinion that the ultimate disposition of the other various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

NOTE 16 – ACCOUNTABILITY

FUND EQUITY DEFICIT - SPECIAL REVENUE FUNDS

There are deficits in the Police Pension and Fire Pension Special Revenue Funds of \$163,878 and \$225,647, respectively, caused by the application of accounting principles generally accepted in the United States of America to these funds. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 17 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR FUND BALANCES

A. CHANGES IN ACCOUNTING PRINCIPLES

For 2002, the City has implemented GASB Statement No. 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments”, GASB Statement No. 36, “Recipient Reporting for Certain Shared Nonexchange Revenues”; GASB Statement No. 37, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments: Omnibus”, GASB Statement No. 38, “Certain Financial Statement Note Disclosures”, and GASB Interpretation No. 6, “Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements.”

GASB 34 creates new basic financial statements for reporting on the City’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at December 31, 2001, caused by the elimination of the internal service fund and the conversion to the accrual basis of accounting.

GASB Statement No. 37 clarifies certain provisions of GASB Statement No. 34, including the required content of the Management’s Discussion and Analysis, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

The City has also implemented a new capital asset policy increasing the capitalization threshold for capital assets from \$1,000 to \$5,000.

The implementation of these changes had the following effects on fund balance of the major and nonmajor funds of the City as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

CITY OF BROOK PARK, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

NOTE 17 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR FUND BALANCES (CONTINUED)

B. RESTATEMENT OF FUND BALANCE

	<u>General</u>	<u>Capital Improvements</u>
Fund Balances, December 31, 2001 as Previously Reported	\$ 11,656,195	\$ 1,276,947
Fund Reclassification	174,209	1,902,595
Intergovernmental Receivable	<u>119,634</u>	<u>-</u>
Restated Fund Balances, December 31, 2001	\$ <u>11,950,038</u>	\$ <u>3,179,542</u>
	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances, December 31, 2001 as Previously Reported	\$ 4,103,507	\$ 17,036,649
Fund Reclassification	(1,902,595)	174,209
Intergovernmental Receivable	<u>10,231</u>	<u>129,865</u>
Restated Fund Balances, December 31, 2001	\$ <u>2,211,143</u>	17,340,723
GASB 34 Adjustments:		
Capital Assets		40,959,351
Internal Service Fund		318,559
Long-Term Liabilities:		
Compensated Absences Payable		(1,270,043)
Due to Other Governments		(61,955)
General Obligation Bonds Payable		(6,273,000)
Capital Lease Payable		(1,546,089)
Long-Term (Deferred) Assets		<u>1,337,390</u>
Net Assets of Governmental Activities, December 31, 2001		\$ <u>50,804,936</u>

The General Fund budgetary statement beginning fund balance has also been restated for the fund reclassification.

NOTE 18 – SUBSEQUENT EVENT

On January 7, 2003 the City issued bond anticipation notes in the amount of \$1,600,000 for the Aerospace Parkway. These bonds mature on January 7, 2004, with an interest rate of 1.6 percent.

CITY OF BROOK PARK, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Street Maintenance Fund

The Street Maintenance accounts for ninety-two and one half percent (92.5%) of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

State Highway Fund

The State Highway Fund accounts for seven and one half percent (7.5%) of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

Permissive Tax Fund

The Permissive Tax Fund accounts for additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

Economic Development Fund

The Economic Development Fund accounts for parking fees and proceeds received from the sale of city owned property to be used for expenditures essential to the economic development of the City.

Brookpark Road Corridor Fund

The Brookpark Road Corridor Fund accounts for funds received from the City of Cleveland as a result of a legal settlement to be used for attorney fees, land acquisition, grants or loans to Brookpark Road businesses and other expenditures related to the overall improvement of the corridor.

Community Development Block Grant Fund

To account for monies received from the federal government passed through Cuyahoga County under Community Development Block Grant programs. This Fund accounts for the current year grant and unspent grants from prior years.

Police Pension Fund

The Police Pension Fund accounts for the accumulation of property taxes levied for the payment of current employer's pension contributions.

Fire Pension Fund

The Fire Pension Fund accounts for the accumulation of property taxes levied for the payment of current employer's pension contributions.

Hotel – Motel Tax Fund

The Hotel – Motel Tax Fund accounts for taxes, levied on transient guests for lodging, which have been designated for the operation of safety forces.

DWI Enforcement and Education Fund

The DWI Enforcement and Education Fund accounts for fine monies used by the law enforcement agency to pay costs related to DWI enforcement and for educating the public about laws governing the operation of a motor vehicle under the influence of alcohol.

CITY OF BROOK PARK, OHIO

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Special Recreation Fund

The Special Recreation Fund accounts for operations of City sponsored recreation programs funded by participation fees and facility rentals.

Southwest General Health Center Fund

The Southwest General Health Center Fund accounts for a special property tax levied to provide resources to support a health care facility.

Law Enforcement Fund

The Law Enforcement Fund accounts for confiscated monies from criminal offenses and designated, by state statute, for expenditures that would enhance the operation of the police department.

Tri-City Senior Center Fund

The Tri-City Senior Center Fund accounts for a special property tax levied to provide the City's contribution to the Tri-City Senior Center, a nonprofit organization serving the senior citizens of Brook Park, Berea, and Middleburg Heights.

NONMAJOR DEBT SERVICE FUND

General Obligation Debt Service Fund

The General Obligation Debt Service Fund accounts for the resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

CITY OF BROOK PARK, OHIO

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2002

	<u>Nonmajor Special Revenue</u>	<u>Nonmajor General Obligation</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 3,001,327	\$ 408,786	\$ 3,410,113
Taxes Receivable	525,829	-	525,829
Accounts Receivable	422	-	422
Intergovernmental Receivable	378,120	-	378,120
Special Assessments Receivable	-	8,479	8,479
Total Assets	<u>\$ 3,905,698</u>	<u>\$ 417,265</u>	<u>\$ 4,322,963</u>
<u>Liabilities</u>			
Accounts Payable	\$ 8,663	\$ -	\$ 8,663
Accrued Wages	46,239	-	46,239
Due to Other Governments	16,844	-	16,844
Deferred Revenue	793,845	8,479	802,324
Accrued Pension	447,626	-	447,626
Total Liabilities	<u>1,313,217</u>	<u>8,479</u>	<u>1,321,696</u>
Fund balance			
Reserve for Encumbrances	30,522	-	30,522
Unreserved	<u>2,561,959</u>	<u>408,786</u>	<u>2,970,745</u>
Total Fund Balance	<u>2,592,481</u>	<u>408,786</u>	<u>3,001,267</u>
Total Liabilities and Fund Balance	<u>\$ 3,905,698</u>	<u>\$ 417,265</u>	<u>\$ 4,322,963</u>

CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Nonmajor Special Revenue</u>	<u>Nonmajor General Obligation</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Revenue</u>			
Property Taxes	\$ 458,056	\$ -	\$ 458,056
Other Local Taxes	192,820	-	192,820
Intergovernmental	791,103	-	791,103
Charges for Services	1,278,773	-	1,278,773
Fines and Forfeitures	405	-	405
Special Assessments	-	4,282	4,282
Investment Income	3,939	-	3,939
Miscellaneous Income	122,251	-	122,251
Total Revenues	<u>2,847,347</u>	<u>4,282</u>	<u>2,851,629</u>
<u>Expenditures</u>			
Security of Persons and Property	1,364,519	-	1,364,519
Public Health	173,887	-	173,887
Leisure Time Activities	110,075	-	110,075
Community Development	666,707	-	666,707
Transportation	1,225,274	-	1,225,274
Principal Retirement	-	1,437,000	1,437,000
Interest and Fiscal Charges	-	328,300	328,300
Total Expenditures	<u>3,540,462</u>	<u>1,765,300</u>	<u>5,305,762</u>
Excess of Revenues Over (Under) Expenditures	<u>(693,115)</u>	<u>(1,761,018)</u>	<u>(2,454,133)</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from Sale of Land	275,000	-	275,000
Operating Transfers – In	1,206,000	1,765,257	2,971,257
Operating Transfers – Out	(2,000)	-	(2,000)
Total Other Financing Sources (Uses)	<u>1,479,000</u>	<u>1,765,257</u>	<u>3,244,257</u>
Excess of Revenues and Other Financing Sources Over (Under Expenditures and Other Financing Uses)	785,885	4,239	790,124
Fund Balance at Beginning of Year, Restated	<u>1,806,596</u>	<u>404,547</u>	<u>2,211,143</u>
Fund Balance at End of Year	\$ <u>2,592,481</u>	\$ <u>408,786</u>	\$ <u>3,001,267</u>

CITY OF BROOK PARK, OHIO

COMBINING BALANCE SHEET NON-MAJOR SPECIAL REVENUE FUNDS

DECEMBER 31, 2002

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 53,788	\$ 41,003	\$ 184,015	\$ 944,287
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	<u>346,192</u>	<u>28,069</u>	<u>3,859</u>	<u>-</u>
Total Assets	\$ <u>399,980</u>	\$ <u>69,072</u>	\$ <u>187,874</u>	\$ <u>944,287</u>
<u>Liabilities</u>				
Accounts Payable	\$ -	\$ -	\$ 791	\$ 2,094
Accrued Wages	39,160	7,079	-	-
Due to Other Governments	15,914	930	-	-
Deferred Revenue	258,932	20,995	-	-
Accrued Pension	<u>29,318</u>	<u>4,389</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>343,324</u>	<u>33,393</u>	<u>791</u>	<u>2,094</u>
<u>Fund Equity</u>				
Fund Balance:				
Reserved for Encumbrances	7,258	-	3,647	4,718
Unreserved; Undesignated (Deficit)	<u>49,398</u>	<u>35,679</u>	<u>183,436</u>	<u>937,475</u>
Total Fund Equity (Deficit)	<u>56,656</u>	<u>35,679</u>	<u>187,083</u>	<u>942,193</u>
 Total Liabilities and Fund Equity	 \$ <u>399,980</u>	 \$ <u>69,072</u>	 \$ <u>187,874</u>	 \$ <u>944,287</u>

<u>Brookpark Road Corridor</u>	<u>Community Development Block Grant</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Hotel – Motel Tax</u>	<u>DWI Enforcement and Education</u>	<u>Special Recreation</u>
\$ 929,595	\$ -	\$ 9,840	\$ 14,552	\$ 665,727	\$ 26,482	\$ 113,600
-	-	172,428	172,428	11,934	-	-
-	-	-	-	-	60	17
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>929,595</u>	\$ <u>-</u>	\$ <u>182,268</u>	\$ <u>186,980</u>	\$ <u>677,661</u>	\$ <u>26,542</u>	\$ <u>113,617</u>
\$ 2,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,326
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	172,427	172,427	25	-	-
<u>-</u>	<u>-</u>	<u>173,719</u>	<u>240,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,452</u>	<u>-</u>	<u>346,146</u>	<u>412,627</u>	<u>25</u>	<u>-</u>	<u>3,326</u>
-	-	-	-	-	700	14,199
<u>927,143</u>	<u>-</u>	<u>(163,878)</u>	<u>(225,647)</u>	<u>677,636</u>	<u>25,842</u>	<u>96,092</u>
<u>927,143</u>	<u>-</u>	<u>(163,878)</u>	<u>(225,647)</u>	<u>677,636</u>	<u>26,542</u>	<u>110,291</u>
\$ <u>929,595</u>	\$ <u>-</u>	\$ <u>182,268</u>	\$ <u>186,980</u>	\$ <u>677,661</u>	\$ <u>26,542</u>	\$ <u>113,617</u>

Continued

CITY OF BROOK PARK, OHIO

COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

DECEMBER 31, 2002

	Southwest General Health Center	Law Enforcement	Tri-City Senior Center	Total Nonmajor Special Revenue Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 18,438	\$ -	\$ 3,001,327
Receivables:				
Taxes	150,584	-	18,455	525,829
Accounts	-	345	-	422
Intergovernmental	-	-	-	378,120
Total Assets	<u>\$ 150,584</u>	<u>\$ 18,783</u>	<u>\$ 18,455</u>	<u>\$ 3,905,698</u>
Liabilities				
Accounts Payable	\$ -	\$ -	\$ -	\$ 8,663
Accrued Wages	-	-	-	46,239
Due to Other Governments	-	-	-	16,844
Deferred Revenue	150,584	-	18,455	793,845
Accrued Pension	-	-	-	447,626
Total Liabilities	<u>150,584</u>	<u>-</u>	<u>18,455</u>	<u>1,313,217</u>
Fund Equity				
Fund Balance:				
Reserved for Encumbrances	-	-	-	30,522
Unreserved; Undesignated (Deficit)	-	18,783	-	2,561,959
Total Fund Equity (Deficit)	<u>-</u>	<u>18,783</u>	<u>-</u>	<u>2,592,481</u>
Total Liabilities and Fund Equity	<u>\$ 150,584</u>	<u>\$ 18,783</u>	<u>\$ 18,455</u>	<u>\$ 3,905,698</u>

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CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Street Maintenance</u>	<u>State Highway</u>	<u>Permissive Tax</u>	<u>Economic Development</u>
<u>Revenues</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-
Intergovernmental	640,345	51,920	54,509	-
Charges for Services	-	-	-	1,278,756
Fines and Forfeitures	-	-	-	-
Investment Income	647	682	2,610	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>640,992</u>	<u>52,602</u>	<u>57,119</u>	<u>1,278,756</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons & Property	-	-	-	-
Public Health	-	-	-	-
Leisure Time Activities	-	-	-	-
Community Development	-	-	-	645,241
Transportation	<u>1,119,622</u>	<u>73,211</u>	<u>32,441</u>	<u>-</u>
Total Expenditures	<u>1,119,622</u>	<u>73,211</u>	<u>32,441</u>	<u>645,241</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(478,630)</u>	<u>(20,609)</u>	<u>24,678</u>	<u>633,515</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Land	-	-	-	275,000
Operating Transfers – In	470,000	-	-	-
Operating Transfers – Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>470,000</u>	<u>-</u>	<u>-</u>	<u>275,000</u>
Excess of Revenues and Other Financing Sources Over (Under Expenditures and Other Financing Uses				
	(8,630)	(20,609)	24,678	908,515
Fund Balance at Beginning of Year, Restated	<u>65,286</u>	<u>56,288</u>	<u>162,405</u>	<u>33,678</u>
Fund Balance at End of Year	\$ <u><u>56,656</u></u>	\$ <u><u>35,679</u></u>	\$ <u><u>187,083</u></u>	\$ <u><u>942,193</u></u>

Brookpark Road Corridor	Community Development Block Grant	Police Pension	Fire Pension	Hotel – Motel Tax	DWI Enforcement and Education	Special Recreation
\$ -	\$ -	\$ 153,588	\$ 153,588	\$ -	\$ -	\$ -
-	-	-	-	192,820	-	-
-	-	14,037	15,691	-	-	-
-	-	-	-	-	-	17
-	-	-	-	-	60	-
-	-	-	-	-	-	-
-	<u>2,000</u>	-	<u>2,332</u>	-	<u>488</u>	<u>109,405</u>
-	<u>2,000</u>	<u>167,625</u>	<u>171,611</u>	<u>192,820</u>	<u>548</u>	<u>109,422</u>
-	-	591,166	773,353	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	110,075
21,466	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>21,466</u>	<u>-</u>	<u>591,166</u>	<u>773,353</u>	<u>-</u>	<u>-</u>	<u>110,075</u>
<u>(21,466)</u>	<u>2,000</u>	<u>(423,541)</u>	<u>(601,742)</u>	<u>192,820</u>	<u>548</u>	<u>(653)</u>
-	-	-	-	-	-	-
-	-	305,000	431,000	-	-	-
-	<u>(2,000)</u>	-	-	-	-	-
-	<u>(2,000)</u>	<u>305,000</u>	<u>431,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
(21,466)	-	(118,541)	(170,742)	192,820	548	(653)
<u>948,609</u>	<u>-</u>	<u>(45,337)</u>	<u>(54,905)</u>	<u>484,816</u>	<u>25,994</u>	<u>110,944</u>
\$ <u>927,143</u>	\$ <u>-</u>	\$ <u>(163,878)</u>	\$ <u>(225,647)</u>	\$ <u>677,636</u>	\$ <u>26,542</u>	\$ <u>110,291</u>

Continued

CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2002

	Southwest General Health Center	Law Enforcement	Tri-City Senior Center	Total Nonmajor Special Revenue Fund
<u>Revenues</u>				
Property Taxes	\$ 134,041	\$ -	\$ 16,839	\$ 458,056
Other Local Taxes	-	-	-	192,820
Intergovernmental	13,228	-	1,373	791,103
Charges for Services	-	-	-	1,278,773
Fines and Forfeitures	-	345	-	405
Investment Income	-	-	-	3,939
Miscellaneous Income	-	8,026	-	122,251
Total Revenues	<u>147,269</u>	<u>8,371</u>	<u>18,212</u>	<u>2,847,347</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property	-	-	-	1,364,519
Public Health	154,836	-	19,051	173,887
Leisure Time Activities	-	-	-	110,075
Community Development	-	-	-	666,707
Transportation	-	-	-	1,225,274
Total Expenditures	<u>154,836</u>	<u>-</u>	<u>19,051</u>	<u>3,540,462</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(7,567)</u>	<u>8,371</u>	<u>(839)</u>	<u>(693,115)</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Land	-	-	-	275,000
Operating Transfers – In	-	-	-	1,206,000
Operating Transfers – Out	-	-	-	(2,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,479,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,567)	8,371	(839)	785,885
Fund Balance at Beginning of Year, Restated	<u>7,567</u>	<u>10,412</u>	<u>839</u>	<u>1,806,596</u>
Fund Balance at End of Year	\$ <u>-</u>	\$ <u>18,783</u>	\$ <u>-</u>	\$ <u>2,592,481</u>

CITY OF BROOK PARK, OHIO

COMBINING STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

AGENCY FUNDS

Fiduciary Fund

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Cash Bonds Held Fund

The Cash Bonds Held Fund accounts for deposits to insure the proper repair of street openings.

Developers' Deposit Fund

The Developers' Deposit Fund accounts for deposits from contractors, held by the City, to insure compliance with various City ordinances regarding development within the City.

Payroll Deduction Employees' Share Fund

The Payroll Deduction Employees' Share Fund accounts for employees' payroll deductions which are to be distributed to other agencies.

Mayor's Court Fund

The Mayor's Court Fund accounts for the collection and distribution of court fines and forfeitures.

Board of Building Standards Fund

The Board of Building Standards Fund Accounts for the collection and distribution of State required building code fees.

CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS

DECEMBER 31, 2002

	<u>Cash Bonds Held</u>	<u>Developers' Deposit</u>
<u>Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$ <u>15,772</u>	\$ <u>-</u>
<u>Liabilities</u>		
Due to Other Governments	\$ -	\$ -
Deposits Held	<u>15,772</u>	<u>-</u>
Total Liabilities	\$ <u>15,772</u>	\$ <u>-</u>

Payroll Deduction Employees' Share	Mayor's Court	Board of Building Standards	Total
\$ <u>44,674</u>	\$ <u>32,982</u>	\$ <u>1,319</u>	\$ <u>94,747</u>
\$ 44,674	23,698	-	68,372
<u>-</u>	<u>9,284</u>	<u>1,319</u>	<u>26,375</u>
\$ <u>44,674</u>	\$ <u>32,982</u>	\$ <u>1,319</u>	\$ <u>94,747</u>

CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2002

	Balance December 31, <u>2001</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2002</u>
<u>CASH BONDS HELD FUND</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>15,172</u>	\$ <u>600</u>	\$ <u>-</u>	\$ <u>15,772</u>
<u>Liabilities</u>				
Deposits Held	\$ <u>15,172</u>	\$ <u>600</u>	\$ <u>-</u>	\$ <u>15,772</u>
Total Liabilities	\$ <u>15,172</u>	\$ <u>600</u>	\$ <u>-</u>	\$ <u>15,772</u>
<u>DEVELOPER'S DEPOSIT FUND</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>8,489</u>	\$ <u>-</u>	\$ <u>8,489</u>	\$ <u>-</u>
<u>Liabilities</u>				
Deposits Held	\$ <u>8,489</u>	\$ <u>-</u>	\$ <u>8,489</u>	\$ <u>-</u>
<u>PAYROLL DEDUCTION EMPLOYEES' SHARE FUND</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>44,320</u>	\$ <u>44,674</u>	\$ <u>44,320</u>	\$ <u>44,674</u>
<u>Liabilities</u>				
Due to Other Governments	\$ <u>44,320</u>	\$ <u>44,674</u>	\$ <u>44,320</u>	\$ <u>44,674</u>
<u>MAYOR'S COURT FUND</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>34,414</u>	\$ <u>405,215</u>	\$ <u>406,647</u>	\$ <u>32,982</u>
<u>Liabilities</u>				
Due to Other Governments	\$ <u>25,330</u>	\$ <u>352,730</u>	\$ <u>354,362</u>	\$ <u>23,698</u>
Deposits Held	<u>9,084</u>	<u>52,485</u>	<u>52,285</u>	<u>9,284</u>
Total Liabilities	\$ <u>34,414</u>	\$ <u>405,215</u>	\$ <u>406,647</u>	\$ <u>32,982</u>

Continued

CITY OF BROOK PARK, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2002

	Balance December 31, <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2001</u>
<u>BOARD OF BUILDING STANDARDS</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>716</u>	\$ <u>2,327</u>	\$ <u>1,724</u>	\$ <u>1,319</u>
<u>Liabilities</u>				
Deposits Held	\$ <u>716</u>	\$ <u>2,327</u>	\$ <u>1,724</u>	\$ <u>1,319</u>
<u>TOTAL – ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ <u>103,111</u>	\$ <u>452,816</u>	\$ <u>461,180</u>	\$ <u>94,747</u>
<u>Liabilities</u>				
Due to Other Governments	\$ 69,650	\$ 397,404	\$ 398,682	\$ 68,372
Deposits Held	<u>33,461</u>	<u>55,412</u>	<u>62,498</u>	<u>26,375</u>
Total Liabilities	\$ <u>103,111</u>	\$ <u>452,816</u>	\$ <u>461,180</u>	\$ <u>94,747</u>

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INDIVIDUAL FUND
SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
BUDGET (NON – GAAP BASIS) AND ACTUAL

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Property Taxes	\$ 1,989,448	\$ 1,988,363	\$ 1,988,363	\$ -
Income Taxes	13,790,000	15,341,274	15,341,274	-
Other Local Taxes	150,000	167,035	167,035	-
Intergovernmental	1,529,111	1,464,200	1,464,200	-
Charges for Services	853,673	824,618	824,618	-
Licenses and Permits	424,000	367,146	367,146	-
Fines and Forfeitures	291,000	317,405	317,405	-
Investment Income	377,000	407,417	407,417	-
Reimbursements Received	50,000	104,696	104,696	-
Other	<u>70,067</u>	<u>132,208</u>	<u>132,208</u>	<u>-</u>
Total Revenues	<u>19,624,299</u>	<u>21,114,362</u>	<u>21,114,362</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Police Department				
Personal service	3,171,086	2,999,811	2,905,293	94,518
Travel and education	11,080	13,080	11,005	2,075
Contractual services	254,573	210,914	178,376	32,538
Supplies and materials	<u>121,130</u>	<u>105,014</u>	<u>86,962</u>	<u>18,052</u>
Total Police Department	<u>3,557,869</u>	<u>3,328,819</u>	<u>3,181,636</u>	<u>147,183</u>
Correctional Facility				
Personal services	-	57,500	43,450	14,050
Contractual services	9,047	11,586	7,908	3,678
Supplies and materials	<u>13,800</u>	<u>28,561</u>	<u>24,799</u>	<u>3,762</u>
Total Correctional Facility	<u>22,847</u>	<u>97,647</u>	<u>76,157</u>	<u>21,490</u>
School Guards				
Personal services	79,105	79,105	65,909	13,196
Supplies and Materials	<u>-</u>	<u>711</u>	<u>711</u>	<u>-</u>
Total School Guards	<u>79,105</u>	<u>79,816</u>	<u>66,620</u>	<u>13,196</u>
Fire Department				
Personal service	2,931,434	2,961,434	2,931,838	29,596
Travel and education	7,000	7,000	6,356	644
Contractual services	140,702	143,702	109,402	34,300
Supplies and materials	<u>55,289</u>	<u>56,788</u>	<u>46,824</u>	<u>9,964</u>
Total Fire Department	<u>3,134,425</u>	<u>3,168,924</u>	<u>3,094,420</u>	<u>74,504</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Animal Control				
Personal services	111,304	111,304	106,848	4,456
Travel and education	390	390	350	40
Contractual services	21,660	22,210	18,966	3,244
Supplies and materials	<u>7,743</u>	<u>7,193</u>	<u>5,413</u>	<u>1,780</u>
Total Animal Control	<u>141,097</u>	<u>141,097</u>	<u>131,577</u>	<u>9,520</u>
Safety Director				
Personal services	158,421	158,709	147,654	11,055
Travel and education	2,000	2,000	196	1,804
Contractual services	5,639	6,139	2,950	3,189
Supplies and materials	<u>13,500</u>	<u>13,000</u>	<u>5,282</u>	<u>7,718</u>
Total Safety Director	<u>179,560</u>	<u>179,848</u>	<u>156,082</u>	<u>23,766</u>
Safety Building				
Personal services	537,726	542,018	483,292	58,726
Travel and education	3,550	2,050	1,100	950
Contractual services	78,896	100,232	88,877	11,355
Supplies and materials	<u>11,421</u>	<u>12,421</u>	<u>8,495</u>	<u>3,926</u>
Total Safety Building	<u>631,593</u>	<u>656,721</u>	<u>581,764</u>	<u>74,957</u>
Safety Town				
Personal services	4,027	4,011	4,011	-
Contractual services	2,100	2,095	2,095	-
Supplies and materials	<u>885</u>	<u>1,144</u>	<u>1,144</u>	<u>-</u>
Total Safety Town	<u>7,012</u>	<u>7,250</u>	<u>7,250</u>	<u>-</u>
Street Lighting				
Contractual services	299,431	299,431	289,294	10,137
Traffic Lights				
Contractual services	78,182	78,182	76,437	1,745
Disaster Services				
Personal service	15,173	15,173	13,753	1,420
Contractual service	11,147	11,035	4,898	6,137
Supplies and materials	<u>2,621</u>	<u>2,733</u>	<u>2,310</u>	<u>423</u>
Total Disaster Services	<u>28,941</u>	<u>28,941</u>	<u>20,961</u>	<u>7,980</u>
Total Security of Persons and Property	<u>8,160,062</u>	<u>8,066,676</u>	<u>7,682,198</u>	<u>384,478</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Expenditures (Continued)</u>				
Public Health and Welfare				
County Board of Health				
Contractual Services	<u>62,593</u>	<u>62,593</u>	<u>62,593</u>	<u>-</u>
Leisure Time Activities				
Parks and Recreation				
Personal service	58,275	58,208	58,208	-
Contractual services	66,472	68,046	56,855	11,191
Supplies and materials	16,116	20,495	19,162	1,333
Other expenditures	<u>50</u>	<u>23</u>	<u>23</u>	<u>-</u>
Total Parks and Recreation	<u>140,913</u>	<u>146,772</u>	<u>134,248</u>	<u>12,524</u>
Recreation Commission				
Personal service	14,168	14,168	14,132	36
Travel and education	-	450	450	-
Supplies and materials	<u>500</u>	<u>500</u>	<u>107</u>	<u>393</u>
Total Recreation Commission	<u>14,668</u>	<u>15,118</u>	<u>14,689</u>	<u>429</u>
Recreation Center				
Personal service	821,588	844,588	827,538	17,050
Travel and education	3,500	2,000	954	1,046
Contractual services	407,636	459,026	449,647	9,379
Supplies and materials	32,282	34,943	32,516	2,427
Other expenditures	<u>400</u>	<u>595</u>	<u>545</u>	<u>50</u>
Total Recreation Center	<u>1,265,406</u>	<u>1,341,152</u>	<u>1,311,200</u>	<u>29,952</u>
Home Day Celebration				
Personal service	10,724	8,599	8,599	-
Contractual service	42,082	44,929	44,929	-
Supplies and materials	<u>4,137</u>	<u>4,060</u>	<u>4,060</u>	<u>-</u>
Total Home Day Celebration	<u>56,943</u>	<u>57,588</u>	<u>57,588</u>	<u>-</u>
Parks and Play Grounds				
Personal service	457,431	460,881	448,100	12,781
Contractual services	86,475	88,560	79,762	8,798
Travel and education	-	120	57	63
Supplies and materials	<u>26,193</u>	<u>38,173</u>	<u>28,681</u>	<u>9,492</u>
Total Parks and Play Grounds	<u>570,099</u>	<u>587,734</u>	<u>556,600</u>	<u>31,134</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Public Recreation				
Personal service	20,572	20,572	15,991	4,581
Travel and education	200	200	-	200
Contractual services	98,790	99,790	88,839	10,951
Supplies and materials	<u>20,120</u>	<u>19,120</u>	<u>10,615</u>	<u>8,505</u>
Total Public Recreation	<u>139,682</u>	<u>139,682</u>	<u>115,445</u>	<u>24,237</u>
Total Leisure Time Activities	<u>2,187,711</u>	<u>2,288,046</u>	<u>2,189,770</u>	<u>98,276</u>
Community Development				
Planning Commission				
Personal service	13,892	13,892	12,351	1,541
Office Supplies	<u>-</u>	<u>308</u>	<u>308</u>	<u>-</u>
Total Planning Commission	<u>13,892</u>	<u>14,200</u>	<u>12,659</u>	<u>1,541</u>
Community Development				
Personal service	86,059	86,059	85,442	617
Travel and education	4,000	6,200	4,733	1,467
Contractual services	2,870	2,870	2,434	436
Supplies and materials	<u>668</u>	<u>668</u>	<u>455</u>	<u>213</u>
Total Community Development	<u>93,597</u>	<u>95,797</u>	<u>93,064</u>	<u>2,733</u>
Airport Relations				
Personal Service	84,481	96,163	86,927	9,236
Contractual Service	184,519	172,125	20,621	151,504
Travel and Education	10,000	10,000	959	9,041
Materials and Supplies	<u>21,000</u>	<u>21,712</u>	<u>3,181</u>	<u>18,531</u>
Total Airport Relations	<u>300,000</u>	<u>300,000</u>	<u>111,688</u>	<u>188,312</u>
Board of Zoning Appeals				
Personal service	<u>16,670</u>	<u>16,670</u>	<u>16,506</u>	<u>164</u>
Building Department				
Personal service	479,873	479,874	476,587	3,287
Travel and education	4,000	4,000	2,979	1,021
Contractual services	16,184	19,684	17,348	2,336
Supplies and materials	8,262	9,262	6,704	2,558
Other expenditures	<u>749</u>	<u>749</u>	<u>105</u>	<u>644</u>
Total Building Department	<u>509,068</u>	<u>513,569</u>	<u>503,723</u>	<u>9,846</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Tree and Tree Lawns				
Personal service	221,761	262,011	255,597	6,414
Contractual services	5,020	5,244	939	4,305
Travel and education	150	150	-	150
Supplies and materials	<u>4,750</u>	<u>6,026</u>	<u>4,235</u>	<u>1,791</u>
Total Trees and Tree Lawns	<u>231,681</u>	<u>273,431</u>	<u>260,771</u>	<u>12,660</u>
Total Community Development	<u>1,164,908</u>	<u>1,213,667</u>	<u>998,411</u>	<u>215,256</u>
 Basic Utility Services				
Service Director				
Personal service	473,907	473,907	467,490	6,417
Travel and education	1,500	807	410	397
Contractual services	8,750	12,048	9,817	2,231
Supplies and materials	<u>4,510</u>	<u>5,655</u>	<u>4,731</u>	<u>924</u>
Total Service Director	<u>488,667</u>	<u>492,417</u>	<u>482,448</u>	<u>9,969</u>
 Service Building				
Personal service	60,490	70,671	67,573	3,098
Contractual services	178,697	194,249	173,709	20,540
Supplies and materials	<u>63,420</u>	<u>64,920</u>	<u>34,884</u>	<u>30,036</u>
Total Service Building	<u>302,607</u>	<u>329,840</u>	<u>276,166</u>	<u>53,674</u>
 Sanitation Department				
Personal service	716,309	742,633	732,350	10,283
Contractual services	116,806	117,306	113,421	3,885
Travel and education	550	550	91	459
Supplies and materials	<u>442,370</u>	<u>462,382</u>	<u>451,703</u>	<u>10,679</u>
Total Sanitation Department	<u>1,276,035</u>	<u>1,322,871</u>	<u>1,297,565</u>	<u>25,306</u>
 Sewers, Drains, and Pump Stations				
Personal service	531,545	531,545	501,220	30,325
Contractual services	91,398	88,399	73,664	14,735
Travel and education	400	400	191	209
Supplies and materials	<u>26,464</u>	<u>32,964</u>	<u>25,851</u>	<u>7,113</u>
Total Sewers, Drains, and Pump Stations	<u>649,807</u>	<u>653,308</u>	<u>600,926</u>	<u>52,382</u>
Total Basic Utility Services	<u>2,717,116</u>	<u>2,798,436</u>	<u>2,657,105</u>	<u>141,331</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

<u>Expenditures (Continued)</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Transportation				
Street Cleaning				
Personal service	58,480	59,048	57,957	1,091
Contractual services	5,500	10,320	7,307	3,013
Travel and education	40	40	-	40
Supplies and materials	<u>3,000</u>	<u>3,180</u>	<u>3,180</u>	<u>-</u>
Total Street Cleaning	<u>67,020</u>	<u>72,588</u>	<u>68,444</u>	<u>4,144</u>
Traffic Signs				
Personal service	59,468	60,035	58,025	2,010
Contractual services	10,000	10,000	8,685	1,315
Travel and education	40	40	-	40
Supplies and materials	<u>917</u>	<u>917</u>	<u>565</u>	<u>352</u>
Total Sign Department	<u>70,425</u>	<u>70,992</u>	<u>67,275</u>	<u>3,717</u>
Snow Removal				
Personal service	-	52,127	52,127	-
Contractual services	86,807	89,807	86,366	3,441
Supplies and materials	<u>343,678</u>	<u>340,666</u>	<u>254,187</u>	<u>86,479</u>
Total Snow Removal	<u>430,485</u>	<u>482,600</u>	<u>392,680</u>	<u>89,920</u>
Total Transportation	<u>567,930</u>	<u>626,180</u>	<u>528,399</u>	<u>97,781</u>
General Government				
City Council				
Personal service	134,385	134,386	134,386	-
Travel and education	25,350	30,350	25,204	5,146
Contractual services	22,521	22,521	19,723	2,798
Supplies and materials	<u>9,660</u>	<u>9,660</u>	<u>6,344</u>	<u>3,316</u>
Total City Council	<u>191,916</u>	<u>196,917</u>	<u>185,657</u>	<u>11,260</u>
Clerk of Council				
Personal service	124,433	124,433	124,090	343
Travel and education	4,000	4,000	3,339	661
Contractual services	3,311	3,311	3,017	294
Supplies and materials	<u>800</u>	<u>800</u>	<u>665</u>	<u>135</u>
Total Clerk of Council	<u>132,544</u>	<u>132,544</u>	<u>131,111</u>	<u>1,433</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Mayor's Court				
Personal service	90,703	90,703	90,100	603
Travel and education	2,000	1,330	1,176	154
Contractual services	6,890	8,077	7,783	294
Supplies and materials	<u>2,940</u>	<u>2,423</u>	<u>1,993</u>	<u>430</u>
Total Mayor's Court	<u>102,533</u>	<u>102,533</u>	<u>101,052</u>	<u>1,481</u>
Municipal Court				
Contractual services	<u>3,100</u>	<u>3,100</u>	<u>-</u>	<u>3,100</u>
Civil Service Commission				
Personal service	52,648	52,648	33,764	18,884
Travel and education	1,500	1,500	671	829
Contractual services	7,238	9,518	9,289	229
Supplies and materials	<u>8,139</u>	<u>5,859</u>	<u>3,168</u>	<u>2,691</u>
Total Civil Service Commission	<u>69,525</u>	<u>69,525</u>	<u>46,892</u>	<u>22,633</u>
Mayor's Office				
Personal service	285,541	285,541	255,796	29,745
Travel and education	8,000	7,800	4,816	2,984
Contractual services	22,045	20,278	13,152	7,126
Supplies and materials	<u>9,654</u>	<u>14,332</u>	<u>8,909</u>	<u>5,423</u>
Total Mayor's Office	<u>325,240</u>	<u>327,951</u>	<u>282,673</u>	<u>45,278</u>
Human Resources				
Personal service	80,586	80,586	80,214	372
Travel and education	2,307	2,587	2,587	-
Contractual services	11,048	10,768	6,742	4,026
Supplies and materials	<u>1,842</u>	<u>1,842</u>	<u>851</u>	<u>991</u>
Total Human Resources	<u>95,783</u>	<u>95,783</u>	<u>90,394</u>	<u>5,389</u>
Public Properties				
Personal service	357,704	357,704	283,020	74,684
Travel and education	350	350	31	319
Contractual services	44,847	67,863	44,663	23,200
Supplies and materials	<u>11,828</u>	<u>12,328</u>	<u>9,580</u>	<u>2,748</u>
Total Public Properties	<u>414,729</u>	<u>438,245</u>	<u>337,294</u>	<u>100,951</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Expenditures (Continued)</u>				
Legal Department				
Personal service	343,427	343,427	311,051	32,376
Travel and education	3,000	2,900	2,871	29
Contractual services	7,442	7,442	4,829	2,613
Supplies and materials	<u>1,170</u>	<u>1,270</u>	<u>785</u>	<u>485</u>
Total Legal Department	<u>355,039</u>	<u>355,039</u>	<u>319,536</u>	<u>35,503</u>
Finance Department				
Personal service	325,539	325,539	322,192	3,347
Travel and education	7,000	7,000	4,201	2,799
Contractual services	66,033	65,433	57,065	8,368
Supplies and materials	<u>9,398</u>	<u>9,998</u>	<u>7,967</u>	<u>2,031</u>
Total Finance Department	<u>407,970</u>	<u>407,970</u>	<u>391,425</u>	<u>16,545</u>
Purchasing Commissioner				
Personal service	80,355	80,355	-	80,355
Travel and education	2,000	2,000	-	2,000
Contractual services	6,500	6,500	-	6,500
Supplies and materials	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Total Purchasing Commissioner	<u>92,355</u>	<u>92,355</u>	<u>-</u>	<u>92,355</u>
Tax Department				
Personal service	188,661	188,661	182,507	6,154
Travel and education	3,650	4,078	3,521	557
Contractual services	37,788	41,083	35,007	6,076
Supplies and materials	27,329	23,676	19,052	4,624
Other expenditures	<u>245,000</u>	<u>146,873</u>	<u>146,873</u>	<u>-</u>
Total Tax Department	<u>502,428</u>	<u>404,371</u>	<u>386,960</u>	<u>17,411</u>
Tax Review Board				
Personal service	<u>4,023</u>	<u>4,023</u>	<u>3,980</u>	<u>43</u>
High Risk Review Board				
Personal services	<u>9,775</u>	<u>9,775</u>	<u>9,243</u>	<u>532</u>
Retirees				
Personal services	<u>228,657</u>	<u>303,680</u>	<u>296,055</u>	<u>7,625</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Mechanics				
Personal service	403,203	403,203	382,563	20,640
Travel and education	650	650	198	452
Contractual services	300	300	15	285
Supplies and materials	<u>7,361</u>	<u>7,361</u>	<u>5,644</u>	<u>1,717</u>
Total Mechanics	<u>411,514</u>	<u>411,514</u>	<u>388,420</u>	<u>23,094</u>
Engineering				
Contractual services	<u>50,000</u>	<u>50,000</u>	<u>48,000</u>	<u>2,000</u>
Lands and Buildings				
Contractual services	113,898	164,849	117,113	47,736
Supplies and materials	<u>42,059</u>	<u>20,427</u>	<u>18,546</u>	<u>1,881</u>
Total Lands and Buildings	<u>155,957</u>	<u>185,276</u>	<u>135,659</u>	<u>49,617</u>
Other General Government				
Personal service	590,091	590,486	436,008	154,478
Contractual services	548,069	726,137	466,355	259,782
Other expenditures	<u>150,207</u>	<u>218,762</u>	<u>217,875</u>	<u>887</u>
Total Other General Government	<u>1,288,367</u>	<u>1,535,385</u>	<u>1,120,238</u>	<u>415,147</u>
Total General Government	<u>4,841,455</u>	<u>5,125,986</u>	<u>4,274,589</u>	<u>851,397</u>
Total Expenditures	<u>19,701,775</u>	<u>20,181,584</u>	<u>18,393,065</u>	<u>1,788,519</u>
Excess of Revenues Over (Under) Expenditures	<u>(177,476)</u>	<u>932,778</u>	<u>2,721,297</u>	<u>1,788,519</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	27,611	212,316	12,316	(200,000)
Operating Transfers – Out	<u>(4,698,600)</u>	<u>(4,679,958)</u>	<u>(4,627,458)</u>	<u>52,500</u>
Total Other Financing Sources (Uses)	<u>(4,670,989)</u>	<u>(4,467,642)</u>	<u>(4,615,142)</u>	<u>(147,500)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,848,465)	(3,534,864)	(1,893,845)	1,641,019
Fund Balance at Beginning of Year, Restated	10,798,439	10,798,502	10,798,502	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>303,312</u>	<u>303,312</u>
Fund Balance at End of Year	<u>\$ 5,949,974</u>	<u>\$ 7,263,638</u>	<u>\$ 9,207,969</u>	<u>\$ 1,944,331</u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL STREET MAINTENANCE SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Intergovernmental	\$ 606,189	\$ 641,141	\$ 641,141	\$ -
Investment Income	<u>689</u>	<u>647</u>	<u>647</u>	<u>-</u>
Total Revenues	<u>606,878</u>	<u>641,788</u>	<u>641,788</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Street Paving and Repair				
Personal services	1,028,542	1,040,041	1,006,677	33,364
Contractual services	49,807	66,983	56,283	10,700
Travel and Education	680	680	664	16
Supplies and materials	<u>46,020</u>	<u>49,844</u>	<u>38,681</u>	<u>11,163</u>
Total Expenditures	<u>1,125,049</u>	<u>1,157,548</u>	<u>1,102,305</u>	<u>55,243</u>
Excess of Revenues Over (Under) Expenditures	(518,171)	(515,760)	(460,517)	55,243
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	<u>475,000</u>	<u>507,500</u>	<u>470,000</u>	<u>(37,500)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(43,171)	(8,260)	9,483	17,743
Fund Balance at Beginning of Year	37,047	37,047	37,047	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>7,258</u>	<u>7,258</u>
Fund Balance at End of Year	\$ <u>(6,124)</u>	\$ <u>28,787</u>	\$ <u>53,788</u>	\$ <u>25,001</u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL STATE HIGHWAY SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Intergovernmental	\$ 49,056	\$ 51,984	\$ 51,984	\$ -
Investment Income	<u>1,620</u>	<u>682</u>	<u>682</u>	<u>-</u>
Total Revenues	<u>50,676</u>	<u>52,666</u>	<u>52,666</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Street Paving and Repair				
Personal services	62,613	62,613	58,858	3,755
Contractual services	7,000	7,000	-	7,000
Travel and Education	40	40	-	40
Supplies and materials	<u>6,039</u>	<u>6,039</u>	<u>5,817</u>	<u>222</u>
Total Expenditures	<u>75,692</u>	<u>75,692</u>	<u>64,675</u>	<u>11,017</u>
Excess of Revenues Over (Under) Expenditures	(25,016)	(23,026)	(12,009)	11,017
Fund Balance at Beginning of Year	<u>53,012</u>	<u>53,012</u>	<u>53,012</u>	<u>-</u>
Fund Balance at End of Year	\$ <u><u>27,996</u></u>	\$ <u><u>29,986</u></u>	\$ <u><u>41,003</u></u>	\$ <u><u>11,017</u></u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PERMISSIVE TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Intergovernmental	\$ 54,935	\$ 53,697	\$ 53,697	\$ -
Investment Income	<u>4,365</u>	<u>2,610</u>	<u>2,610</u>	<u>-</u>
Total Revenues	<u>59,300</u>	<u>56,307</u>	<u>56,307</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Transportation				
Street Paving and Repair				
Contractual services	47,344	40,693	742	39,951
Supplies and materials	<u>49,976</u>	<u>56,627</u>	<u>36,520</u>	<u>20,107</u>
Total Expenditures	<u>97,320</u>	<u>97,320</u>	<u>37,262</u>	<u>60,058</u>
Excess of Revenues Over (Under) Expenditures	(38,020)	(41,013)	19,045	60,058
Fund Balance at Beginning of Year	160,532	160,532	160,532	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>4,438</u>	<u>4,438</u>
Fund Balance at End of Year	\$ <u><u>122,512</u></u>	\$ <u><u>119,519</u></u>	\$ <u><u>184,015</u></u>	\$ <u><u>64,496</u></u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Charges for Services	\$ <u>1,681,500</u>	\$ <u>1,570,473</u>	\$ <u>1,570,473</u>	\$ <u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Community Development				
Contractual services	<u>934,970</u>	<u>934,970</u>	<u>658,483</u>	<u>276,487</u>
Excess of Revenues Over (Under)				
Expenditures	746,530	635,503	911,990	276,487
Fund Balance at Beginning of Year	25,485	25,485	25,485	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>6,812</u>	<u>6,812</u>
Fund Balance at End of Year	\$ <u>772,015</u>	\$ <u>660,988</u>	\$ <u>944,287</u>	\$ <u>283,299</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
BROOKPARK ROAD CORRIDOR SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Expenditures</u>				
Current Operations and Maintenance:				
Community Development				
Contractual Services	\$ 690,851	\$ 690,851	\$ 28,854	\$ 661,997
Supplies and materials	<u>300</u>	<u>300</u>	<u>-</u>	<u>300</u>
Total Expenditures	<u>691,151</u>	<u>691,151</u>	<u>28,854</u>	<u>662,297</u>
Excess of Revenues Over (Under)				
Expenditures	(691,151)	(691,151)	(28,854)	662,297
Fund Balance at Beginning of Year	<u>958,449</u>	<u>958,449</u>	<u>958,449</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>267,298</u>	\$ <u>267,298</u>	\$ <u>929,595</u>	\$ <u>662,297</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CDBG SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Grants	\$ <u>4,606</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
<u>Expenditures</u>				
Contractual services	<u>6,606</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(2,000)	-	-	-
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – Out	<u>-</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,000)	(2,000)	(2,000)	
Fund Balance at Beginning of Year	2,000	2,000	2,000	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL POLICE PENSION SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Property Taxes	\$ 153,580	\$ 153,588	\$ 153,588	\$ -
Intergovernmental	<u>15,748</u>	<u>15,691</u>	<u>15,691</u>	<u>-</u>
Total Revenues	<u>169,328</u>	<u>169,279</u>	<u>169,279</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Police Department				
Personal service	<u>489,354</u>	<u>489,851</u>	<u>466,916</u>	<u>22,935</u>
Excess of Revenues Over (Under)				
Expenditures	(320,026)	(320,572)	(297,637)	22,935
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	<u>316,000</u>	<u>318,346</u>	<u>303,346</u>	<u>(15,000)</u>
Excess of Revenues and Other Financing				
Sources Over (Under) Expenditures and				
Other Financing Uses	(4,026)	(2,226)	5,709	7,935
Fund Balance at Beginning of Year	<u>4,131</u>	<u>4,131</u>	<u>4,131</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>105</u>	\$ <u>1,905</u>	\$ <u>9,840</u>	\$ <u>7,935</u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FIRE PENSION SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Revenues</u>				
Property Taxes	\$ 153,580	\$ 153,588	\$ 153,588	\$ -
Intergovernmental	<u>15,748</u>	<u>15,691</u>	<u>15,691</u>	<u>-</u>
Total Revenues	<u>169,328</u>	<u>169,279</u>	<u>169,279</u>	<u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Fire Prevention				
Personal service	<u>601,581</u>	<u>601,581</u>	<u>589,526</u>	<u>12,055</u>
Excess of Revenues Over (Under) Expenditures	(432,253)	(432,302)	(420,247)	12,055
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	<u>431,000</u>	<u>433,332</u>	<u>433,332</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,253)	1,030	13,085	12,055
Fund Balance at Beginning of Year	<u>1,467</u>	<u>1,467</u>	<u>1,467</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>214</u>	\$ <u>2,497</u>	\$ <u>14,552</u>	\$ <u>12,055</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
HOTEL – MOTEL TAX SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Other Local Taxes	\$ <u>220,000</u>	\$ <u>193,167</u>	\$ <u>193,167</u>	\$ <u>-</u>
Excess of Revenues Over (Under) Expenditures	220,000	193,167	193,167	-
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – Out	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>200,000</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	20,000	(6,833)	193,167	200,000
Fund Balance at Beginning of Year	<u>472,560</u>	<u>472,560</u>	<u>472,560</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>492,560</u>	\$ <u>465,727</u>	\$ <u>665,727</u>	\$ <u>200,000</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DWI ENFORCEMENT AND EDUCATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Income	\$ <u>641</u>	\$ <u>691</u>	\$ <u>598</u>	\$ <u>(93)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Police Department				
Contractual services	26,525	25,825	-	25,825
Travel and Membership	<u>-</u>	<u>700</u>	<u>700</u>	<u>-</u>
Total Expenditures	<u>26,525</u>	<u>26,525</u>	<u>700</u>	<u>25,825</u>
Excess of Revenues Over (Under) Expenditures	(25,884)	(25,834)	(102)	25,732
Fund Balance at Beginning of Year	25,884	25,884	25,884	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>700</u>	<u>700</u>
Fund Balance at End of Year	\$ <u>-</u>	\$ <u>50</u>	\$ <u>26,482</u>	\$ <u>26,432</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SPECIAL RECREATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Income	\$ <u>107,460</u>	\$ <u>109,405</u>	\$ <u>109,405</u>	\$ <u>-</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Leisure Time Activities				
Public Recreation				
Travel and education	500	1,030	925	105
Contractual services	28,796	28,331	19,117	9,214
Supplies and materials	84,038	115,972	102,675	13,297
Other expenditures	<u>4,389</u>	<u>4,389</u>	<u>3,271</u>	<u>1,118</u>
Total Expenditures	<u>117,723</u>	<u>149,722</u>	<u>125,988</u>	<u>23,734</u>
Excess of Revenues Over (Under) Expenditures	(10,263)	(40,317)	(16,583)	23,734
Fund Balance at Beginning of Year	112,658	112,658	112,658	-
Encumbrances at End of Year	<u>-</u>	<u>-</u>	<u>17,525</u>	<u>17,525</u>
Fund Balance at End of Year	\$ <u><u>102,395</u></u>	\$ <u><u>72,341</u></u>	\$ <u><u>113,600</u></u>	\$ <u><u>41,259</u></u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL SOUTHWEST GENERAL HEALTH CENTER SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 134,889	\$ 134,839	\$ 134,041	\$ (798)
Intergovernmental	<u>13,178</u>	<u>13,228</u>	<u>13,228</u>	<u>-</u>
Total Revenues	<u>148,067</u>	<u>148,067</u>	<u>147,269</u>	<u>(798)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Public Health and Welfare				
Contractual services	<u>155,634</u>	<u>155,634</u>	<u>154,836</u>	<u>798</u>
Excess of Revenues Over (Under) Expenditures	(7,567)	(7,567)	(7,567)	-
Fund Balance at Beginning of Year	<u>7,567</u>	<u>7,567</u>	<u>7,567</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL LAW ENFORCEMENT SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous Income	\$ <u>320</u>	\$ <u>8,026</u>	\$ <u>8,026</u>	\$ <u>-</u>
<u>Expenditures</u>				
Capital Outlay	<u>10,732</u>	<u>10,733</u>	<u>-</u>	<u>10,733</u>
Excess of Revenues Over (Under) Expenditures	(10,412)	(2,707)	8,026	10,733
Fund Balance at Beginning of Year	<u>10,412</u>	<u>10,412</u>	<u>10,412</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>-</u>	\$ <u>7,705</u>	\$ <u>18,438</u>	\$ <u>10,733</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TRI-CITY SENIOR CENTER SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property Taxes	\$ 17,062	\$ 17,053	\$ 16,839	\$ (214)
Intergovernmental	<u>1,364</u>	<u>1,373</u>	<u>1,373</u>	<u>-</u>
Total Revenues	<u>18,426</u>	<u>18,426</u>	<u>18,212</u>	<u>(214)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Public Health and Welfare				
Contractual Services	<u>19,265</u>	<u>19,265</u>	<u>19,051</u>	<u>214</u>
Excess of Revenues Over (Under) Expenditures	(839)	(839)	(839)	-
Fund Balance at Beginning of Year	<u>839</u>	<u>839</u>	<u>839</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GENERAL OBLIGATION DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Special Assessments	\$ <u>3,968</u>	\$ <u>4,282</u>	\$ <u>4,282</u>	\$ <u>-</u>
<u>Expenditures</u>				
Debt Service:				
Principal Retirement	1,437,000	1,437,000	1,437,000	-
Interest and Fiscal Charges	<u>328,379</u>	<u>328,379</u>	<u>328,300</u>	<u>79</u>
Total Expenditures	<u>1,765,379</u>	<u>1,765,379</u>	<u>1,765,300</u>	<u>79</u>
Excess of Revenues Over (Under) Expenditures	(1,761,411)	(1,761,097)	(1,761,018)	79
<u>Other Financing Sources (Uses)</u>				
Operating Transfers – In	<u>1,769,225</u>	<u>1,765,257</u>	<u>1,765,257</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	7,814	4,160	4,239	79
Fund Balance at Beginning of Year	<u>404,547</u>	<u>404,547</u>	<u>404,547</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>412,361</u>	\$ <u>408,707</u>	\$ <u>408,786</u>	\$ <u>79</u>

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Municipal Income Taxes	\$ 5,910,000	\$ 5,247,755	\$ 5,247,755	\$ -
Intergovernmental	6,000,000	-	-	-
Investment Income	31,575	31,575	21,886	(9,689)
Miscellaneous Income	-	3,981	3,981	-
Reimbursements Received	-	39,260	39,260	-
Total Revenues	<u>11,941,575</u>	<u>5,322,571</u>	<u>5,312,882</u>	<u>(9689)</u>
<u>Expenditures</u>				
Current Operations and Maintenance:				
Security of Persons and Property				
Safety Building				
Contractual services	<u>129,894</u>	<u>135,018</u>	<u>135,018</u>	<u>-</u>
Leisure Time Activities				
Parks and Playgrounds				
Contractual services	<u>5,280</u>	<u>163,639</u>	<u>163,639</u>	<u>-</u>
Recreation Center				
Contractual services	<u>-</u>	<u>1,200</u>	<u>1,200</u>	<u>-</u>
Total Leisure Time Activities	<u>5,280</u>	<u>164,839</u>	<u>164,839</u>	<u>-</u>
Transportation				
Street Paving and Repair				
Contractual services	<u>10,088,557</u>	<u>1,442,358</u>	<u>992,211</u>	<u>450,147</u>
Traffic Lights				
Contractual services	<u>11,682</u>	<u>11,682</u>	<u>11,682</u>	<u>-</u>
Total Transportation	<u>10,100,239</u>	<u>1,454,040</u>	<u>1,003,893</u>	<u>450,147</u>
General Government				
Tax Department				
Personal services	-	72,006	69,728	2,278
Travel and education	-	1,534	1,381	153
Contractual Services	-	17,393	16,191	1,202
Materials and Supplies	-	3,011	2,488	523
Other expenditures	<u>-</u>	<u>62,946</u>	<u>62,942</u>	<u>4</u>
Total Tax Department	<u>-</u>	<u>156,890</u>	<u>152,730</u>	<u>4,160</u>
Lands and Buildings				
Travel and education	-	722	722	-
Contractual services	<u>26,484</u>	<u>77,769</u>	<u>69,088</u>	<u>8,681</u>
Total Land and Buildings	<u>26,484</u>	<u>78,491</u>	<u>69,810</u>	<u>8,681</u>
Total General Government	<u>26,484</u>	<u>235,381</u>	<u>222,540</u>	<u>12,841</u>

Continued

CITY OF BROOK PARK, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Expenditures (Continued)</u>				
Capital Outlay:				
Animal Control	17,852	12,852	3,887	8,965
Building Department	65,468	94,985	88,720	6,265
Council	14,699	15,677	11,127	4,550
Finance Department	20,969	20,969	11,983	8,986
Fire Department	415,949	350,949	350,929	20
Income Tax Department	80,137	80,137	70,955	9,182
Legal Department	14,073	14,073	9,430	4,643
Land and Buildings	283,954	209,613	113,764	95,849
Mayor's Office	23,792	23,792	23,108	684
Mechanics	11,186	16,186	13,391	2,795
Parks and Playgrounds	128,408	84,808	76,060	8,748
Police Law Enforcement	356,266	356,265	326,424	29,841
Public Properties	6,532	6,532	3,380	3,152
Public Recreation	6,300	6,300	5,186	1,114
Recreation Center	209,716	208,516	172,253	36,263
Safety Building	29,569	24,446	18,671	5,775
Safety Director	10,000	10,000	10,000	-
Sanitation Department	56,931	62,431	62,431	-
Service Building	351,417	31,417	24,297	7,120
Sewers, Drains and Pump Stations	41,643	41,643	15,844	25,799
Snow Removal	131,163	131,163	73,574	57,589
Street Lights	28,380	28,380	12,767	15,613
Street Paving and Repair	5,707,600	5,840,233	1,497,601	4,342,632
Traffic Lights	75,000	25,000	-	25,000
Traffic Signs	51,682	51,682	15,701	35,981
Trees and Tree Lawns	20,000	20,000	11,567	8,433
Total Capital Outlay	<u>8,158,686</u>	<u>7,768,049</u>	<u>3,023,050</u>	<u>4,744,999</u>
Total Expenditures	<u>18,420,583</u>	<u>9,757,327</u>	<u>4,549,340</u>	<u>5,207,987</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(6,479,008)</u>	<u>(4,434,756)</u>	<u>763,542</u>	<u>5,198,298</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfer – In	5,090,000	5,190,000	5,035,000	(155,000)
Operating Transfers – Out	(3,424,135)	(3,537,657)	(3,382,657)	155,000
Proceeds from Sale of Debt	2,800,000	-	-	-
Proceeds from Sale of Fixed Assets	-	52,322	52,322	-
Total Other Financing Sources (Uses)	<u>4,465,865</u>	<u>1,704,665</u>	<u>1,704,665</u>	<u>-</u>

Continued

CITY OF BROOK PARK, OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive <u>(Negative)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,013,143)	(2,730,091)	2,468,207	5,198,298
Fund Balance at Beginning of Year	2,922,190	2,922,190	2,922,190	-
Current Year Encumbrances	<u>-</u>	<u>-</u>	<u>635,787</u>	<u>635,787</u>
Fund Balance at End of Year	\$ <u>909,047</u>	\$ <u>192,099</u>	\$ <u>6,026,184</u>	\$ <u>5,834,085</u>

CITY OF BROOK PARK, OHIO

GENERAL GOVERNMENTAL EXPENDITURES BY PROGRAM – ALL GOVERNMENTAL FUND TYPES – GAAP BASIS

LAST TEN YEARS

TABLE 1

<u>Fiscal Year</u>	<u>Security of Persons and Property</u>	<u>Public Health</u>	<u>Leisure Time Activities</u>	<u>Community Development</u>	<u>Basic Utility Services</u>	<u>Transportation</u>	<u>General Government</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Total</u>
1993	\$ 6,204,268	\$ 380,881	\$ 1,481,146	\$ 538,806	\$ 2,300,687	\$ 1,856,569	\$ 3,347,338	\$ 9,335,318	\$ 387,806	\$ 25,832,819
1994	6,692,486	405,709	1,729,340	645,814	2,492,039	1,978,309	4,295,566	3,492,567	381,663	22,113,493
1995	7,169,950	451,500	3,013,498	578,823	2,504,798	2,353,607	4,550,197	6,738,279	903,331	28,263,983
1996	6,672,289	451,417	1,740,681	618,358	2,595,549	2,592,654	4,304,361	4,127,103	1,793,593	24,896,005
1997	7,262,073	446,249	1,874,024	632,546	2,590,499	2,248,459	5,797,821	1,900,673	1,780,793	24,533,137
1998	7,045,008	416,006	1,730,140	1,027,633	2,290,909	2,124,088	8,725,781	2,260,661	1,780,308	27,400,534
1999	7,380,513	87,907	1,864,092	5,338,407	2,151,915	2,965,659	4,680,187	1,180,151	1,771,841	27,420,672
2000	7,814,646	249,197	2,083,257	9,086,412	2,347,347	1,685,505	4,186,348	2,647,853	1,759,338	31,859,903
2001	8,148,858	230,450	2,278,621	2,907,431	2,441,957	1,599,714	6,178,149	4,817,482	1,753,862	30,356,524
2002	9,059,154	236,480	2,383,237	1,669,826	2,673,386	2,432,753	3,979,782	3,340,489	1,765,300	27,540,407

CITY OF BROOK PARK, OHIO

GENERAL GOVERNMENTAL REVENUES BY SOURCE – ALL GOVERNMENTAL FUND TYPES – GAAP BASIS

LAST TEN YEARS

TABLE 2

Fiscal Year	Property Taxes	Income Taxes	Other Local Taxes	Inter-Governmental	Charges for Services	Licenses and Permits	Fines and Forfeitures	Special Assessments	Investment Income	Other	Total
1993	\$2,563,272	\$15,890,716	\$154,689	\$1,691,517	\$268,682	\$288,977	\$337,727	\$62,236	\$209,701	\$99,877	\$21,567,394
1994	2,746,512	17,367,967	282,508	1,844,190	280,548	227,554	261,460	72,397	180,787	305,712	23,569,635
1995	3,015,963	18,413,142	307,509	1,919,306	250,862	242,175	295,877	4,561	676,799	616,503	25,742,697
1996	3,154,163	16,572,422	336,336	2,252,131	258,796	277,327	171,234	38,197	509,858	866,575	24,437,039
1997	2,733,477	15,240,112	358,883	2,296,365	324,719	276,414	204,388	4,316	455,250	193,196	22,087,120
1998	2,500,251	16,199,230	398,698	2,342,767	567,046	423,115	318,339	4,002	524,987	410,584	23,689,019
1999	2,419,819	18,160,744	471,405	2,508,214	792,883	411,274	263,719	5,273	846,565	2,569,900	28,449,796
2000	2,449,696	19,903,518	485,140	2,477,455	1,554,955	388,490	319,222	3,618	881,096	485,082	28,948,272
2001	2,502,658	18,570,711	447,917	2,443,476	1,659,130	547,312	357,076	4,317	615,732	325,499	27,473,828
2002	2,446,419	20,521,265	346,705	2,261,918	2,121,999	413,044	311,830	4,282	298,621	609,329	29,335,412

CITY OF BROOK PARK, OHIO

REAL PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

TABLE 3

<u>Collection Year</u>	<u>Current (1) Tax Levy</u>	<u>Current (1) Collections</u>	<u>Percentage of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage of Total Collections To Current Levy</u>
1993	\$1,603,374	\$1,575,931	98%	\$18,753	\$1,594,684	99%
1994	1,588,306	1,535,868	97%	15,013	1,550,881	98%
1995	1,774,662	1,717,469	97%	20,226	1,737,695	98%
1996	1,754,351	1,725,468	98%	13,948	1,739,416	99%
1997	1,758,508	1,741,889	99%	66,982	1,808,871	103%
1998	1,843,108	1,784,451	97%	40,309	1,824,760	99%
1999	1,690,292	1,660,990	98%	97,942	1,758,932	104%
2000	1,859,481	1,828,985	98%	57,773	1,886,758	101%
2001	2,132,394	2,051,067	96%	49,844	2,100,911	98%
2002	2,054,015	1,985,572	97%	110,757	2,096,329	102%

Source: Cuyahoga County Auditor

(1) State reimbursement of rollback and homestead exemptions are included

CITY OF BROOK PARK, OHIO

TANGIBLE PERSONAL PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

TABLE 4

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Collections</u>	<u>Percentage Of Current Collections To Current Levy</u>	<u>Prior Year Collections</u>	<u>Total Collections</u>	<u>Percentage Of Total Collections To Current Levy</u>
1993	\$855,377	\$844,182	99%	\$16,568	\$860,750	101%
1994	1,015,921	1,013,010	100%	12,568	1,025,578	101%
1995	1,091,318	1,090,055	100%	140,096	1,230,151	113%
1996	1,179,689	1,176,862	100%	55,354	1,232,216	104%
1997	1,058,648	1,053,557	100%	28,236	1,081,793	102%
1998	967,652	961,428	99%	66,519	1,027,947	106%
1999	774,814	765,819	99%	49,791	815,610	105%
2000	762,706	753,188	99%	8,763	761,951	100%
2001	635,316	630,494	99%	21,605	652,099	103%
2002	588,172	578,030	98%	5,691	583,721	99%

Source: Cuyahoga County Auditor

CITY OF BROOK PARK, OHIO

ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES

LAST TEN YEARS

TABLE 5

<u>Collection Year</u>	<u>Residential/ Agricultural Real Property</u>	<u>Other Real Property</u>	<u>Public Utility Tangible</u>	<u>Tangible Personal Property</u>	<u>Total</u>	<u>Estimated True Value Real Property</u>
1993	\$180,907,260	\$119,604,980	\$22,601,110	\$147,512,374	\$470,625,724	\$858,606,400
1994	181,419,250	120,160,930	22,681,330	155,523,094	479,784,604	861,657,657
1995	212,644,360	124,118,070	22,589,110	184,712,954	544,064,494	962,178,371
1996	213,911,360	123,347,310	21,062,580	198,421,460	556,742,710	963,596,200
1997	214,626,670	123,180,780	20,955,230	214,501,234	573,263,914	965,164,143
1998	237,651,020	120,981,070	20,039,900	192,481,495	571,153,485	1,024,663,114
1999	237,845,240	119,285,820	19,966,380	175,936,785	553,034,225	1,020,374,457
2000	238,021,220	132,374,750	18,632,750	172,180,824	561,209,544	1,058,274,200
2001	266,452,600	167,037,360	18,890,960	159,067,518	611,448,438	1,238,542,743
2002	265,952,730	154,479,690	14,372,580	132,327,007	567,132,007	1,201,235,486

Sources: Cuyahoga County Auditor

CITY OF BROOK PARK, OHIO

PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1,000 OF ASSESSED VALUATION)

LAST TEN YEARS

TABLE 6

<u>Collection Year</u>	<u>City of Brook Park</u>			<u>Total Levy</u>	<u>Berea City School District</u>	<u>Southwest Vocational School</u>	<u>Cuyahoga County Commissioners</u>	<u>Special (2) Taxing Districts</u>	<u>Total Tax Levy</u>
	<u>General Fund</u>	<u>Special Funds(1)</u>	<u>Debt Service</u>						
1993	3.37	1.65	0.48	5.50	57.00	2.50	12.32	5.48	82.80
1994	3.25	1.65	0.60	5.50	57.00	2.50	12.32	5.48	82.80
1995	3.72	1.65	0.13	5.50	57.00	2.50	12.32	5.48	82.80
1996	3.72	1.65	0.13	5.50	57.00	2.50	12.32	5.48	82.80
1997	3.72	1.65	0.13	5.50	57.00	2.50	12.32	5.48	82.80
1998	3.69	0.65	0.16	4.50	57.90	2.40	12.12	5.88	82.80
1999	3.69	0.65	0.16	4.50	58.00	2.40	10.82	5.88	81.60
2000	3.69	0.95	0.16	4.80	63.90	2.40	10.82	5.88	87.80
2001	3.85	0.95	0.00	4.80	63.80	2.40	11.72	5.88	88.60
2002	3.85	0.95	0.00	4.80	63.80	2.40	11.72	5.88	88.60

Source: Cuyahoga County Auditor

(1) – Southwest General Hospital, Police & Firemen Pension Fund, and Tri City Senior Center

(2) – Metroparks, Port Authority, County Library, Community College

CITY OF BROOK PARK, OHIO

SPECIAL ASSESSMENT COLLECTIONS

LAST TEN YEARS

TABLE 7

<u>Fiscal</u> <u>Year</u>	<u>Special</u> <u>Assessment</u> <u>Current</u> <u>Tax Levy</u>	<u>Total</u> <u>Amount</u> <u>Collected</u>	<u>Total</u> <u>Amount</u> <u>Delinquent</u>	<u>Percentage</u> <u>Collected</u>
1993	\$ 68,102	\$ 61,620	\$ 6,482	90%
1994	75,692	67,085	8,607	89%
1995	4,690	4,969	-	106%
1996	4,726	4,282	488	91%
1997	5,211	4,409	3,424	85%
1998	4,282	4,051	4,032	95%
1999	4,282	5,401	5,995	126%
2000	4,282	4,282	2,768	100%
2001	6,334	6,253	3,108	99%
2002	4,282	5,247	582	122%

Source: Cuyahoga County Auditor

CITY OF BROOK PARK, OHIO

MUNICIPAL INCOME TAX COLLECTIONS BY SOURCE – GAAP BASIS

LAST TEN YEARS

TABLE 8

<u>Year</u>	<u>Withheld Tax</u>	<u>Individual Direct Tax</u>	<u>Business Direct Tax</u>	<u>Municipal Income Tax Collections</u>
1993	\$13,542,477	\$1,169,015	\$1,179,224	\$15,890,716
1994	14,935,197	1,086,980	1,345,790	17,367,967
1995	15,038,287	1,064,861	2,309,994	18,413,142
1996	13,404,663	955,222	2,212,537	16,572,422
1997	13,127,632	972,900	1,139,580	15,240,112
1998	14,001,050	914,183	1,283,997	16,199,230
1999	15,899,371	957,531	1,303,842	18,160,744
2000	17,549,260	985,249	1,369,009	19,903,518
2001	16,435,339	1,023,869	1,111,503	18,570,711
2002	18,655,101	830,330	1,035,834	20,521,265

CITY OF BROOK PARK, OHIO

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

LAST TEN YEARS

TABLE 9

Ratio of Net Bonded Debt	Net Bonded Net General Bonded Debt (1)	Assessed Value (2)	Population (3)	To Assessed Value	Debt Per Capita
<u>Year</u>					
1993	\$ -	\$ 470,626	22,821	0.00%	\$ 0.00
1994	-	479,785	22,821	0.00%	0.00
1995	12,538,663	544,065	22,821	2.30%	549.44
1996	11,500,775	556,743	22,821	2.06%	503.96
1997	10,558,959	573,264	22,821	1.84%	462.69
1998	9,492,284	571,153	22,821	1.66%	415.95
1999	8,302,721	553,034	22,821	1.50%	363.82
2000	7,019,728	561,210	21,218	1.25%	330.84
2001	5,700,453	611,448	21,218	0.93%	268.66
2002	5,864,214	567,132	21,218	1.03%	276.38

- (1) Net general bonded debt equals the amount of general obligation bonds payable from property taxes minus the debt service fund balance available to pay general obligation debt
- (2) Shown in thousands of dollars
- (3) Source: U.S. Census Bureau

CITY OF BROOK PARK, OHIO

LEGAL DEBT MARGIN

DECEMBER 31, 2002

TABLE 10

Total Assessed Valuation		\$ <u>567,132,007</u>
Overall Debt Limitation – 10.5% of Assessed Valuation		\$ <u>59,548,861</u>
Gross Indebtedness	\$ 4,836,000	
Less: Debt Outside Limitation	<u>4,836,000</u>	
Debt Within 10.5% Limitation	-	
Less: Amount Available in Debt Service Funds	<u>408,786</u>	
Net Debt Within 10.5% Limitation		\$ <u>-</u>
Legal Debt Margin Within 10.5% Limitation		\$ <u>59,548,861</u>

Unvoted Debt Limitation – 5.5% of Assessed Valuation		\$ <u>31,192,260</u>
Gross Indebtedness Authorized by Council	\$ 4,836,000	
Less: Debt Outside Limitation	<u>4,836,000</u>	
Debt Within 5.5% Limitation	-	
Less: Amount Available in Debt Service Funds	<u>408,786</u>	
Net Debt Within 5.5% Limitation		\$ <u>-</u>
Legal Debt Margin Within 5.5% Limitation		\$ <u>31,192,260</u>

CITY OF BROOK PARK, OHIO

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

DECEMBER 31, 2002

TABLE 11

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	<u>(2) Percentage Applicable To City of Brook Park</u>	<u>Amount Applicable to City of Brook Park</u>
City of Brook Park	\$ 4,427,214	100.00%	\$ 4,427,214
Berea City School District	11,715,000	38.06%	4,458,729
Cuyahoga County	200,162,636	1.95%	3,903,171
Regional Transit Authority	136,310,000	1.95%	<u>2,658,045</u>
Total			\$ <u><u>15,447,159</u></u>

Source: Cuyahoga County Auditor

(1) Net debt outstanding equals the amount of general obligation bonds payable from property taxes minus the available debt service fund balance.

(2) Percentages determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

CITY OF BROOK PARK, OHIO

**RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES -
GAAP BASIS
LAST TEN YEARS**

TABLE 12

<u>Debt Service on General Obligation Year</u>	<u>General (1) Governmental Bonded Debt</u>	<u>Expenditures</u>	<u>Ratio</u>
1993	\$ 41,000	\$ 25,832,218	.16
1994	42,000	22,113,493	.19
1995	42,000	28,263,983	.15
1996	1,057,000	24,896,005	4.25
1997	1,107,000	24,533,137	4.51
1998	1,162,000	27,400,534	4.24
1999	1,222,000	27,420,672	4.46
2000	1,292,000	31,859,903	4.05
2001	1,357,000	30,356,524	4.47
2002	1,437,000	27,540,407	5.22

Sources:

(1) Includes general, special revenue, debt service and capital projects fund types

CITY OF BROOK PARK, OHIO

DEMOGRAPHIC STATISTICS

DECEMBER 31, 2002

TABLE 13

<u>Year</u>	<u>(1) Population</u>	<u>School (2) Enrollment</u>
1993	22,821	7,903
1994	22,821	7,883
1995	22,821	8,241
1996	22,821	8,040
1997	22,821	7,901
1998	22,821	7,927
1999	22,821	7,980
2000	21,218	7,891
2001	21,218	7,820
2002	21,218	7,653

Sources:

- (1) U.S. Bureau of Census
- (2) Berea City School District

CITY OF BROOK PARK, OHIO

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN YEARS

TABLE 14

<u>Year</u>	<u>Estimated True Value Real Property</u>	<u>Residential Construction Value (1)</u>	<u>Commercial Construction Value (1)</u>	<u>Industrial Construction Value (1)</u>	<u>Domestic Bank Deposits In County (2)</u>
1993	\$516,877,885	\$5,996,495	\$2,807,475	\$3,299,406	\$21,009,421
1994	518,340,714	5,454,767	1,233,774	2,878,700	20,885,453
1995	607,555,314	3,585,574	414,700	1,656,385	22,694,304
1996	611,175,314	2,193,343	410,000	1,629,857	27,068,211
1997	613,219,057	2,076,143	1,673,514	178,000	53,941,971
1998	679,002,914	914,885	1,200,371	252,343	58,904,596
1999	679,557,829	535,620	2,581,750	2,406,830	57,816,942
2000	680,060,629	790,690	4,186,780	2,207,890	61,942,764
2001	761,293,143	1,016,542	275,600	2,366,628	63,893,769
2002	759,864,943	873,029	646,314	(79,320)	95,761,917

(1) Cuyahoga County Auditor

(2) Federal Reserve Bank of Cleveland shown in thousands of dollars

CITY OF BROOK PARK, OHIO

PRINCIPAL TAXPAYERS – REAL PROPERTY (EXCLUDING PUBLIC UTILITIES)

DECEMBER 31, 2002

TABLE 15

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assesed Real Property</u>	<u>Percentage Of Total Assessed Valuation</u>
Ford Motor Co.	\$ 30,360,100	7.2%	5.4%
MWP Company	7,353,470	1.7%	1.3%
Tech Park Limited Partnership	6,707,450	1.6%	1.0%
Ch/Equity	2,936,610	0.7%	0.7%
Foseco, Inc.	2,291,630	0.6%	0.4%
Eastland Properties Association Limited Partnership	1,785,000	0.4%	0.3%
Fairfield Inn by Marriott	1,765,580	0.4%	0.3%
AAA Apartments	1,715,600	0.4%	0.3%
Sandelman Sanford & Susan Trs.	1,710,240	0.4%	0.3%
Amware Distribution	<u>1,647,910</u>	<u>0.4%</u>	<u>0.3%</u>
	\$ <u>58,273,590</u>	<u>13.8%</u>	<u>10.3%</u>
Total Real Property Assessed Valuation	\$ <u>420,432,420</u>		

Source: Cuyahoga County Auditor
(1) Excludes Public Utilities

CITY OF BROOK PARK, OHIO

PRINCIPAL TAXPAYERS – PERSONAL PROPERTY (EXCLUDING PUBLIC UTILITIES)

DECEMBER 31, 2002

TABLE 16

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Personal Property</u>	<u>Percentage Of Total Assessed Valuation</u>
Ford Motor Company	\$ 56,640,490	42.8%	10.0%
Marc Glassman, Inc.	9,165,100	6.9%	1.6%
IBM Credit Corp.	3,079,710	2.3%	0.5%
GSS Inc.	3,004,490	2.2%	0.5%
Foseco, Inc.	2,701,310	2.0%	0.5%
Hawk Corp.	2,668,880	2.0%	0.5%
Gelhard Corp.	2,192,220	1.7%	0.4%
Metro Toyota, Inc.	1,801,950	1.3%	0.3%
Sams East, Inc.	1,789,280	1.3%	0.3%
GE Information Services, Inc.	<u>1,252,860</u>	<u>0.9%</u>	<u>0.2%</u>
	\$ <u>84,296,290</u>	<u>63.7%</u>	<u>14.9%</u>
Total Personal Property Assessed Valuation	\$ <u>132,327,007</u>		

Source: Cuyahoga County Auditor

CITY OF BROOK PARK, OHIO

PRINCIPAL TAXPAYERS – PUBLIC UTILITY PROPERTY

DECEMBER 31, 2002

TABLE 17

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage Of Total Public Utility Property</u>	<u>Percentage Of Total Assessed Valuation</u>
Cleveland Electric Illuminating Company	\$ 6,410,030	44.0%	1.0%
The Ohio Bell Telephone Company	3,562,790	25.0%	0.6%
The East Ohio Gas Company	<u>768,810</u>	<u>5.0%</u>	<u>0.1%</u>
	\$ <u>10,741,630</u>	<u>74.7%</u>	<u>1.7%</u>
Total Public Utility Property Assessed Valuation	\$ <u>14,372,580</u>		

Source: Cuyahoga County Auditor

CITY OF BROOK PARK, OHIO

MISCELLANEOUS STATISTICS

DECEMBER 31, 2002

TABLE 18

Date of Incorporation	January 4, 1961	Education: Berea City School District:	
Effective Date of Charter	January 1, 1967	Elementary Schools (including Berea Children's Home)	7
Form of Government	Mayor/Council	Middle Schools	2
Area:	8.8 sq. miles	High Schools	2
Miles to Streets:		Vocational Schools	1
State Routes	12.5 miles	Per Pupil Cost	\$8,735
County Routes	13.5 miles	Number of Teachers	507
City Streets	46.0 miles	2002 Student Enrollment	7,653
Number of Street Lights	2,565	Recreation and Culture:	
Fire Protection:		Number of Parks	7
Number of Stations	3	Number of Playgrounds	8
Number of Firemen and Officers	40	Swimming Pools	2
Police Protection:		Diving Tanks	1
Number of Stations	1	Recreation Centers	1
Number of Policemen and Officers	42	Public Libraries	1
City Employees:		Number of Traffic Lights	49
Number of Full Time Employees	205	Public Transportation: Cuyahoga Regional Transit Authority	
Number of Part Time Employees	104		
Municipal Water Department	Served by the City of Cleveland		

City of Brook Park, Ohio

DECEMBER 31, 2002

CITY OF BROOK PARK, OHIO

FOR THE YEAR ENDED DECEMBER 31, 2002

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CIUNI & PANICHI
INC.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

Report On Compliance And On Internal Control Over
Financial Reporting Based On An Audit Of Financial Statements
Performed In Accordance With *Government Auditing Standards*

Members of the City Council
City of Brook Park, Ohio

We have audited the financial statements of the City of Brook Park, Ohio, as of and for the year ended December 31, 2002, and have issued our report thereon dated June 11, 2003 in which the City adopted Governmental Accounting Standards Board Statements 34, 37, 38 and Interpretation 6. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Brook Park's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Brook Park's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control which might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.



Members of the City Council
City of Brook Park, Ohio

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This report is intended solely for the information and use of City Council, Finance Committee, Management, and the Auditor of State's Office, and is not intended to be and should not be used by anyone other than these specified parties.

Cini & Parichi, Inc.

Cleveland, Ohio
June 11, 2003

CITY OF BROOK PARK, OHIO

SCHEDULE OF FINDINGS

DECEMBER 31, 2002

1. SUMMARY OF AUDITOR'S RESULTS

Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
Was there any material reported noncompliance at the financial statement level (GAGAS)?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None.

3. OTHER FINDINGS

None.

CITY OF BROOK PARK, OHIO

SCHEDULE OF PRIOR AUDIT FINDINGS

DECEMBER 31, 2002

None.

**CITY OF BROOK PARK, OHIO
6161 ENGLE ROAD
BROOK PARK, OHIO 44142
(216) 433-1300**

**Response To Findings Associated With Audit Conducted
In Accordance With *Government Auditing Standards*
For The Year Ended December 31, 2002**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
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Not
applicable



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

CITY OF BROOK PARK

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 8, 2003**